

THE INDEPENDENT

Nº 3,232

FRIDAY 28 FEBRUARY 1997

WEATHER: Sunshine and showers

(IR45p) 40p

ANALYSIS

Shop around
the clock
PAGE 18



THE TABLOID

Music: nine
pages of pop
and classical



...AND TOMORROW

Free 64-page fashion
magazine with
The Independent



New Labour motors home

Blair sees
Wirral
by-election
as the
writing on
the wall for
Major

Anthony Bevis
and Colin Brown

A Wirral South by-election drubbing for John Major last night left Labour and the Tories gearing up for the make-or-break battle to come - the May general election.

Labour said: "No party has ever lost a by-election so close to a general election, in a seat they had won at the previous general election, and gone on to win the general election."

The Tories countered with a calculated leak of their latest "secret" polling, claiming they had reduced Labour's lead to 11 percentage points - well within striking distance with two months' campaigning to go.

In the 1992 election, the Conservatives held blue-chip Wirral South with a formidable 16.3 per cent, 8,183-vote majority, and the loss of the seat so close to a general election will undoubtedly hammer Tory morale. It was the Tories' 126th most marginal seat.

But John Major's close advisers believe they still have all to fight for, arguing that public opinion polls are seriously exaggerating the Labour lead, and that the Conservatives always depress the Labour vote in general election campaigns.

In Wirral itself, Tory campaign managers were confident that they would get the seat back in a May general election, though Labour sources said at Westminster: "Tories who have voted Labour in the Wirral cannot be doing so as a protest."

"There is no time left for the Gov-



Cruising to victory: Labour's Ben Chapman on the Wirral campaign trail with Lewisham East MP Bridget Prentice yesterday

Photograph: David Rose

ernment to change its ways. We have no doubt that, having taken such a serious decision at this stage of the election cycle, most of them will stay with Labour."

However, in a clear attempt to give itself maximum room for manoeuvre, the Government last night announced a blatant political sweetener for the Ulster Unionists, offering enhanced powers for the Northern Ireland Grand Committee.

According to a Unionist demand,

Sir Patrick Mayhew, Secretary of State for Northern Ireland, said the grand committee would be given powers to meet in Ulster, and that it would be provided with a legislative role. The move will be welcomed by the Unionists because it further binds Northern Ireland into the Union with the rest of the United Kingdom.

David Trimble, the Ulster Unionist leader, signalled yesterday that his party would not seek to bring the

Government down over the next few weeks, even though the loss of Wirral South again drives the Government into a Commons minority.

Without Unionist support, there is no point in Labour putting down a Commons motion of no confidence, in an attempt to force an early election. Mr Major is therefore left free to announce an eventual dissolution of Parliament for 8 April, following completion of his legislative programme, and an Easter

break, in time for his preferred option of a 1 May election.

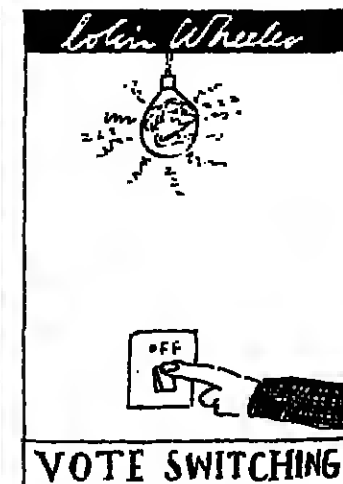
With ministers braced for a weekend of panic over the Tories' showing in Wirral South, the Conservatives' private polling shows that Labour's lead of 19 per cent before Christmas, was being whittled down until Gordon Brown announced Labour's commitment not to increase spending for two years, and to fix the rates of income tax at their present level.

Those two pledges - coupled with

a national poster campaign featuring Tony Blair - may have dismayed traditional Labour supporters, but have stopped the Tories narrowing the gap any further.

The tracking polling by Conservative Central Office is a closely-guarded secret, but the results have been revealed to ministers who were claiming last night that it shows there is still "all to play for".

The results of the polling, which Tory strategists are studying close-



ly, underline the importance of the Tories' attack on Labour on tax. Morale in Conservative Central Office has improved from a low base because of the polling results, and it remains stoical. "The thing that could finish us is the 'time-for-a-change factor,'" said one minister, who has seen the polling. "Even some of our own supporters are saying it's not good for democracy to have one party in power for 20 years."

Labour is exploiting that vulnerability by condemning Conservative ambitions to create a "one-party state".

At a Westminster press briefing yesterday, Mr Trimble welcomed moves by the Government to show it was "listening" to Ulster Unionist concerns.

He received a guarantee this week in a personal letter from the Prime Minister that Ulster would be included in a scheme to cut the business rates by more than half for village shops, post offices, and other village premises, such as the village halls.

Denying that he was being "bought off", Mr Trimble said he doubted that Labour would attempt to bring down the Government before 1 May "because they are having difficulty in getting their vote out" in the House of Commons.

"What is the point of a couple of weeks if you had an early election? You would have Easter in the middle of the campaign. I can see pros and cons with that, but more cons," Mr Trimble said.

Continental rifts: protectionism will harm consumers; but Euroscepticism has its dangers too

EU trade ban will cause fruit shortage

Asian firms' investment in UK tumbles

Ian Surrell

British supermarkets face severe shortages of oranges, grapefruits and other citrus fruits this summer because of highly-coordinated import restrictions being planned in Brussels.

Furious British food importers accused the European Union of using "pseudo-scientific" arguments to set up an effective trade ban on fruit from South Africa and South America, from where Britain gets its entire summer citrus crop.

Food industry sources said yesterday that the proposed restrictions - ostensibly aimed at protecting European citrus plants from pests - could set a catastrophic precedent for the organic fruit and vegetable market.

The EU Standing Committee on Plant Health is due to decide today whether to impose a ban on citrus fruits from countries affected by the non-European fruit fly and other plant pests, unless they are subjected to expensive treatments.

The move, led by Greece, would hand the European citrus market to Mediterranean producers. Greece, Italy, Spain and Corsica produce citrus during the winter. Produce is kept

in cold storage for local markets in the summer but would not survive shipment to Britain.

The restrictions would also bring chronic shortages of orange juice in the late summer, when most juicing oranges are imported from the southern hemisphere.

The Ministry of Agriculture is fighting the restrictions but Britain has been isolated by other member states who are sympathetic to the producer countries of the Mediterranean.

British officials in Brussels spoke yesterday of their fears of unnecessary restrictions being put into place. "We are concerned about what the trade effects are going to be, particularly for the South African and Zimbabwean producers," said one.

"The other non-producing states do not appear to have woken up to the possible effects on consumers and suppliers."

Traditionally Britons have eaten little citrus fruit in the summer because of poor quality. During the past decade, eating habits have been changed by imports of superior fruit from the southern hemisphere.

Britain now imports 186,000 tons of citrus fruit each year from this source, with 98,000



Oranges and lemons: Britons may find citrus fruit in short supply this summer if EU import restrictions come into force

tons coming from South Africa and 53,000 tons from Argentina and Uruguay. During the winter, the market switches to southern Europe, Israel and the United States.

The pests identified by the Brussels committee pose no risk to human health and have never caused any problems to the British supply trade. The fruit flies die when they encounter the British climate.

The proposed restrictions come against a background of arguments over moves for closer trade links between Europe and South Africa, which is seen as a threat by some member

states because of its low production costs.

Doug Henderson, chief executive of the Fresh Produce Consortium, said: "The southern member states are using plant health regulations as a means of protecting their market inside Europe. [The moves] will restrict competition, restrict consumer choice and push up prices."

The EU committee may agree a compromise, allowing the import of citrus fruit which has been subjected to chilling and vapour treatments. Such treatments would not be possible for this year's crop.

Diane Coyle
Economics Editor

The Government's claim that its European policy poses no threat to inward investment is called into question today by a United Nations report showing that the UK's share of foreign investment in the European Union has fallen sharply.

Today, Adair Turner, the Confederation of British Industry's director general, will issue an unusually outspoken warning against the dangers of British isolation from Europe.

These alarm signals will severely embarrass the Government, which has always claimed that its opt out from the social chapter and other signs of semi-detachment actively attract overseas businesses. However, it is likely to strengthen the scepticism in the Cabinet.

Mr Turner, in a speech to businessmen in Cardiff, will say that Europhobia is increasing Britain's isolation within the EU. "Our views will go unheeded, our influence will diminish. Ultimately our access to the single market could be at risk - to our enormous economic disadvantage."

The CBI chief's views were backed by the normally Euro-sceptic Institute of Directors yesterday. Ruth Lea, head of policy at the rival employers' organisation, said: "In so far as there is a feeling among overseas investors that Britain might cut loose from the EU, this is a matter for concern."

Mr Turner's warnings are given extra force by today's report from the UN's Conference on Trade and Development. This shows that Britain's share of rising investment in Europe by foreign companies, especially from Japan and the rest of Asia, has shrunk.

Robin Cook, the shadow Foreign Secretary, said: "These figures show how hollow are the Tory boasts on inward investment. The UK share of inward investment from the Far East has dropped fast."

Today's developments follow warnings by big companies that the UK's negative attitude to its European partners and the single currency might affect their investment plans. Japanese car manufacturer Toyota, Germany's Siemens, and British-based companies including BP and Unilever have all spoken out.

Business, page 20

2 ACADEMY AWARD NOMINATIONS

BEST SUPPORTING ACTRESS • BEST COSTUME DESIGN

FROM THE DIRECTOR OF 'THE PIANO'
A FILM BY JANE CAMPION

NICOLE KIDMAN JOHN MALKOVICH BARBARA HERSHEY



the Portrait of a Lady

STARTS TODAY
AT A CINEMA NEAR YOU

QUICKLY

The men referee
Calls the TV replays to be used following Wednesday's penalty decision in the Chelsea v Leicester Cup match. Page 27

Nazi gold dismay
Only three families affected by the Holocaust have a rightful claim to funds held in Swiss bank accounts. Page 12

CONTENTS

THE BROADSHEET
Business & City 20-24
Comment 17-19
Foreign news 11-14
Gazette 18
Home news 2-10
Law report 16

Leading articles, letters 17
Obituaries 16
Shares 23
Sport 25-28
Unit trusts 24
THE TABLOID
Architecture 5,7

Arts reviews 19
Music 8-16
John Lytle 3
Listings 20-21
Radio & TV 23,24
Style 4,5
Weather 22



news

significant shorts

Accused stab girl 'feared violence against herself'

A girl accused of murdering teenage hairdresser Katie Rackliff was herself frightened of being stabbed, a court was told yesterday. Winchester Crown Court heard that she told a probation officer: "When I die, someone will have to shoot me, because I couldn't be stabbed." Probation officer Sarah Brydon told the court: "She said, 'It must be awful, knowing what's happening'."

The girl, now 17, was 12 at the time of the attack on Katie, 18, in June 1992. The girl, who for legal reasons cannot be named, denies murder. Katie, from Hawley, Hampshire, suffered 29 stab wounds, including injuries to her genitals.

Police chief rejects masons call

Greater Manchester's police chief has refused to introduce a register for Freemasons, in defiance of advice from his national governing body. David Wilmut, the Chief Constable, is believed to be the first in the country to go against the recommendation of the Association of Chief Police Officers that all serving members of the United Kingdom's 43 police forces should declare membership of the society.

Mr Wilmut was said to be against the register, which he regarded as "unconstitutional" and "an infringement of personal liberty".

Royal presence on the Web

Can you make an anorak out of ermine? And what does the Queen think is cool? The answers may be revealed next week when the Queen gets her own site on the World Wide Web. She will join the ranks of caffeine-fuelled American adolescents with 150 pages of information about royal topics, from finance to descriptions of the palaces and the private estates.

Buckingham Palace said yesterday that the site's World Wide Web address will not be revealed until it is officially launched on Thursday. "In the modern day and age, if there's a Web out there the Queen should be on it," said a spokeswoman. "We don't all use quill pens here, you know - we're on computers too." She would not say whether the site will contain "hot links" to other Web addresses - a popular way of pointing surfers to "cool" sites.

Charles Arthur

Modern-day St Trinians banned



A bus company has banned almost 1,000 schoolchildren following a series of attacks on drivers and vehicles.

The Provincial Bus Company in Portsmouth, Hants, has banned pupils from the King Richard secondary school from using its buses to travel to and from school. Parents have received a letter from the school's headteacher informing them their children will not be able to use Provincial buses from next Monday. The company said it decided to impose the week-long ban after an upsurge of violence and vandalism in which drivers reported windows smashed, emergency exits opened and money stolen.

Mike Smith, Provincial operations director, said: "There has been a series of very serious events on buses. We've had numerous complaints from passengers saying 'who in their right mind would get on a bus with these animals?'"

Head teacher Peter Warburton, said the school had made a great effort to improve pupils' behaviour on buses and had taken disciplinary action against some. Angry parents claimed the company was over-reacting and some threatened to keep their children off school rather than see them face a long walk.

Murdered aunt case goes to appeal

The case of Sheila Bowler, jailed for life in 1993 for the murder of her late husband's elderly aunt, has been referred to the Court of Appeal by Michael Howard, the Home Secretary. Bowler, a music teacher from Rye, East Sussex, was found guilty at Hove Crown Court of pushing 89-year-old Florence Jackson into the River Brede, apparently to secure her inheritance from being eaten up by nursing home fees.

On 1 May 1995, she appealed against her conviction but the appeal judges did not accept the expert psychiatric evidence put before them that Aunt Flo could have been much more mobile than anyone realised.

Mr Howard has now decided that new material submitted by her lawyers - primarily medical evidence about the mobility of elderly people - has merited her case being sent back for a second appeal.

Grania Langdon-Down

people



Rock of ages: The national monument to St David in Cardiff City Hall (Photograph: Rob Stratton)

Picking over bones of the past to unravel a legend

Wales will celebrate St David's Day tomorrow with the news that the remains of its patron saint are not where they were thought to be.

For years, legend has had it that the bones of the saint were in a wooden casket discovered in the last century in the stone walls of St David's Cathedral. Inside the box were the bones of three people, including what many believed to be the bones of St David, because they fitted the description of the saint as being a tall man, around 6ft - highly unusual for the 7th century.

But samples of the bones taken for analysis and dating at Oxford University's Radio Carbon Accelerator Unit, which employs techniques similar to those used on the Turin Shroud, have now proved that the remains are those of an 11th or 12th-century man who ate a lot of fish, possibly Saint Caradog, who died in 1124.

The analysis showed that the remains could not have been those of David, who died in 601, who was canonized by the Pope in 1120 and whose relics first went missing in 1538.

The controversial findings of the analysis were revealed to the Welsh people last night in a TV special, *Search of David*, documentary, which followed the progress of the scientific evaluation at Oxford and involved forensic pathologist Professor Bernard Knight.

Roger Dobson

Widow wins final battle for frozen sperm

Diane Blood (right), the widow who battled for two years to have her dead husband's baby, was yesterday granted final permission to be artificially inseminated in a Belgian clinic.

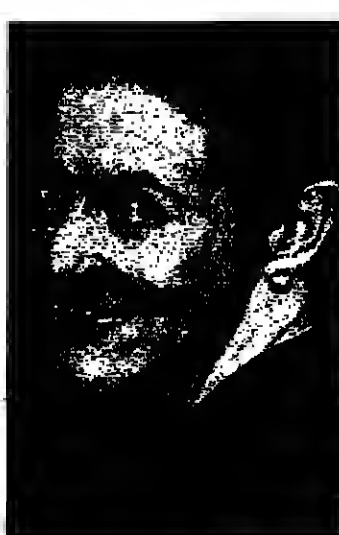
She celebrated with Charmagne, and immediately rang her parents-in-law, after the Human Fertilisation and Embryology Authority unanimously decided to allow her to export her late husband's sperm for treatment.

Ruth Deech, chairman of the authority, which is thought to have spent £100,000 fighting the case, said it had finally agreed to the export after a High Court ruling in Mrs Blood's favour. It had written to her solicitors and to the clinic where the sperm is stored.

"This is the only way to resolve the tragic situation for Mrs Blood, one which will not arise again," said Mrs Deech. "We've been concerned throughout to uphold the integrity of the principles of consent and we are pleased that the Court of Appeal has confirmed this."

Asked if she felt the HFEA should apologise to the widow, Mrs Deech said: "I don't think an apology is called for because all the way our view of UK law has been upheld by the courts."

She added that if the Court of



Appeal had not been sufficiently explicit, the body would have refused her wishes once again.

"This is obviously wonderful, wonderful news. I am very, very relieved," said Mrs Blood. "I am slightly bewildered still and I don't yet fully believe it."

"It has just been a long time and so many emotions, I don't think I can sum it up. There have been so many different emotions."

She said she had not yet made any firm arrangements for her treatment, adding: "I have felt unable to make any arrangements so far. I am glad now to be able to speak to people sensibly and make arrangements."

Glenda Cooper and David Garfield

Diana may be called to sacked maid's tribunal

Diana, Princess of Wales, may have to give evidence at an industrial tribunal when her former maid sues her for wrongful dismissal next week, it emerged yesterday.

Lawyers acting for Sylvia McDermott, who lost her cleaning job at Kensington Palace in November, said they were considering seeking a witness order - the industrial tribunal equivalent of a court subpoena - which would oblige her to attend.

Solicitor Anu Kapoor of Michael, Amy and Partners, who is acting for the maid, said: "The lawyers for the Princess of Wales have confirmed that she will not be attending, so we are considering seeking a witness order."

"If it is granted, then she will be obliged to attend."

"The hearing on Wednesday 5 March is to seek to secure an order that Sylvia McDermott be re-employed by the Princess."

The maid joined the household of the Prince and Princess of Wales in July 1987 and stayed with Diana when the couple separated in 1992. Her duties involved dusting and cleaning the royal apartments.

The dismissal is alleged to have come after two face-to-face meetings with the princess.

briefing

ABORTION

Poll shows wide acceptance of women's right to choose

Two-thirds of the public believe abortion should be made legally available for all who want it - a 10 per cent increase on 1981 according to the latest opinion poll on the issue, published yesterday. An even larger majority of the public support the right to an abortion where the woman's life or health are in danger or if she has been raped.

Although there is a significant drop in the number of people backing abortion where it is likely the baby would be born mentally or physically handicapped, there is still support from more than two-thirds of the public.

The poll, described as the most definitive study of public attitudes to abortion since 1980, was carried out by MORI. It was commissioned by the Birth Control Trust, which supports the right of women to make their own choices about pregnancy and abortion.

There was little difference between the views of men and women. Those aged 25-34 were most likely to back the right to an abortion. And the more affluent an individual was, the more likely he or she was to agree with abortion, although the difference between social classes was not particularly marked.

Surprisingly, 50 per cent of Roman Catholics backed the right to an abortion - contravening the Church's teaching on the matter, compared with 38 per cent who disagreed.

MOTORING

Car care takes a back seat

Most motorists have no driving ambition to care for their cars, says a survey out today. Only one third say their car is something they can enjoy, while nearly half only wash their vehicles on an occasional basis, said the survey from the Direct Line insurance company. Just one in 10 of the 1,600 car-owners questioned described car ownership as a source of pleasure.

"It seems that increased time pressures in our lives, and busier roads, mean that enjoying and caring for our cars has become a low priority," said Annette Court, Direct Line's motor insurance business manager.

Crime may be one of the causes of driver discontent. Another poll, by the British Vehicle Rental and Leasing Association, found that a fifth of car owners had suffered vehicle crime in the last year and one-in-three drivers expected to be a victim in the next 12 months.

Randeep Ramesh



AGRICULTURE

Making more of salad days

Britain's growers must turn to specialty crops in a bid to boost the country's withering salad industry, according to research published today. The study, by scientists at Strathclyde University, said British vegetable farmers now have a major opportunity to improve the country's £224m salad industry.

Britain has the lowest salad consumption rate in Europe, according to the report. It said UK consumers eat only 15kg of salads a year, compared to the Spanish, who eat more than 95kg.

The study's authors said producers should not concentrate on commodity products, but must focus on specialty lines, such as cherry, truss and plum tomatoes, unusual varieties of lettuce and other leaf crops.

The British salad industry produces around 400,000 tonnes of produce worth £224m in retail terms. The European industry is worth around £6bn. Spain is the largest producer of salads, with 5.1 million tonnes produced in 1994 - 55 per cent of the market. Britain is one of Europe's major salad importers, accounting for more than half of domestic consumption.

EDUCATION

Welsh should be allowed to die

Welsh children's prospects are being blighted by misguided attempts to preserve the Welsh language, says a paper published today by the Social Affairs Unit. Welsh, it argues, should be allowed to die. Then it might survive as many dead languages have - as a language of poetry and myth.

Children are taught in Welsh in most schools in the counties of Gwynedd and Dyfed, and Welsh is a compulsory subject in most schools in the rest of Wales. Yet four-fifths of people in the principality do not speak Welsh. So four-fifths of children are spending time learning a language that will be no use to them, since all Welsh speakers also speak English.

Professor Chris Davies, a sociologist from Reading University, says that if the language were allowed to die: "Dead Welsh could then be the Latin of the peoples of Britain."

Loyalty misplaced, £12.95 plus £1.50 postage, the Social Affairs Unit, 314-322 Regent Street, London W1 5AB.

Judith Judd

HEALTH

First cut is the deepest

Male babies circumcised without anaesthetic have heightened pain responses for months afterwards, suggesting the way their bodies perceive pain is altered. According to a paper in the *Lancet*, those who were circumcised reacted most strongly to vaccinations, four to six months later. The authors suggested that increased pain reactions so long afterwards may be because the memory of early distress was re-experienced, triggered by the pain of the injections.

The infants' reactions were videotaped, and the percentage of time they cried and certain facial features (brows bulging, eyes squeezed shut and frown between the nose and upper lip) were measured. Uncircumcised infants showed least pain while those circumcised without anaesthetic were in greatest pain.

Glenda Cooper

THE INDEPENDENT ABROAD

Austria	£340	Winds	£5.00
Belgium	£340	Italy	£4.50
Canada	£340	Mexico	£5.00
Cyprus	£21.20	Norway	£4.00
Denmark	£21.20	Portugal	£4.00
East Rep	£21.20	Spain	£4.00
France	£21.20	Sweden	£4.00
Germany	£21.20	Switzerland	£4.00
Greece	£21.20	USA	£3.00
Luxembourg	£21.20		

OVERSEAS SUBSCRIPTIONS

By mail, 53 weeks: Europe £10.75, Zone 1: Africa

East, America, Africa and India £15.40, Zone 2: (PA)

East and Australasia £20.70. In order, please send

cheque payable to Johnstone International Media Services

List to 43 Millbrook, London E14 3PH or telephone 0171-

538 5788. Credit cards welcome.

BANK OF ENGLAND

Back issues of the Independent are available from

Postage Newspapers, telephone 01708 340070.



NEWSPAPERS SUPPORT RECYCLING
Recycled paper made up 41.2% of the raw material for UK newspapers in the first half of 1996

COMPLETE WITH NEW MONEY-SAVING TARIFF

NEW TARIFF

INCLUDES 15 MINUTES OF CALLS PER MONTH WORTH UP TO £72 PER YEAR

FREE

LEATHER CARRY CASE AND IN-CAR ADAPTOR WORTH £55 INC. VAT

FREE

COUNTDOWN MEMBERSHIP FOR 1 YEAR WITH THE CELLPHONES DIRECT ADVANTAGE CARD

FREE

LIFETIME PRODUCT WARRANTY

FREE

14-DAY MONEY BACK GUARANTEE

FREE

DELIVERY IN 4 WORKING DAYS

PRICE PLEDGE

WE'LL MATCH ANY AUTHORITY ADVERTISED OFFER FOR THIS PHONE

TOTAL SAVINGS IN FIRST YEAR

UP TO £127

PERSONAL WORLD 15 TARIFF

CONNECTION CHARGE £25.00

MONTHLY RENTAL £17.50

PEAK RATE CALLS 10p PER MINUTE

OFF PEAK CALLS 5p PER MINUTE

ONE SECOND DIALLING

NEW NOKIA 1611

£4.99

NEW GSM MODEL 1611

Up to 3.5 hrs talk-time

110 hrs standby

SMS send and receive

Weight 250g

Cellphones

THE NAME TO TRUST IN TELEPHONE SHOPPING

QUOTE REF 5309

FREEPHONE 0800 000 888

CREDIT CARD ORDERING HOTLINE WEEKENDS 9AM TO 5PM WEEKDAYS 9AM TO 5PM

PLEASE NOTE: NEW TARIFFS MAY BE CHANGED WITHOUT NOTICE. THE TARIFFS ARE SUBJECT TO APPROVAL BY THE OFCOM. THE TARIFFS ARE SUBJECT TO APPROVAL BY THE OFCOM. THE TARIFFS ARE SUBJECT TO APPROVAL BY THE OFCOM.

Small print text at the bottom of the advertisement.

BBC changes policy over Labour candidate

The BBC sought to quell accusations of left-wing bias on the eve of the general election by conceding last night that it was wrong to grant paid leave to Ben Bradshaw, a high-profile Radio 4 presenter who is fighting a key marginal seat for the Labour Party.

To reinforce its commitment to political impartiality, the corporation also made it clear that Joy Johnson, a former Labour Party communications director, hired recently on a short-term contract, would have no involvement in editorial matters or programme-making during the election campaign.

Tony Hall, chief executive of BBC News, said that the position of Mr Bradshaw, who has not worked

since being selected as Labour's prospective parliamentary candidate for Exeter, had been reviewed. He is now to be found some non-politically sensitive work until the election is called and will not be paid when he takes leave during the campaign.

"The fact that we were unable to find him sufficient suitable non-editorial work was a failure of management and I regret that," said Mr Hall, adding: "I believe we should have dealt with this issue with a greater sense of urgency." He explained that Mr Bradshaw had been removed from any involvement in editorial work in order to protect programmes from any suspicion of partiality.

Rob Brown

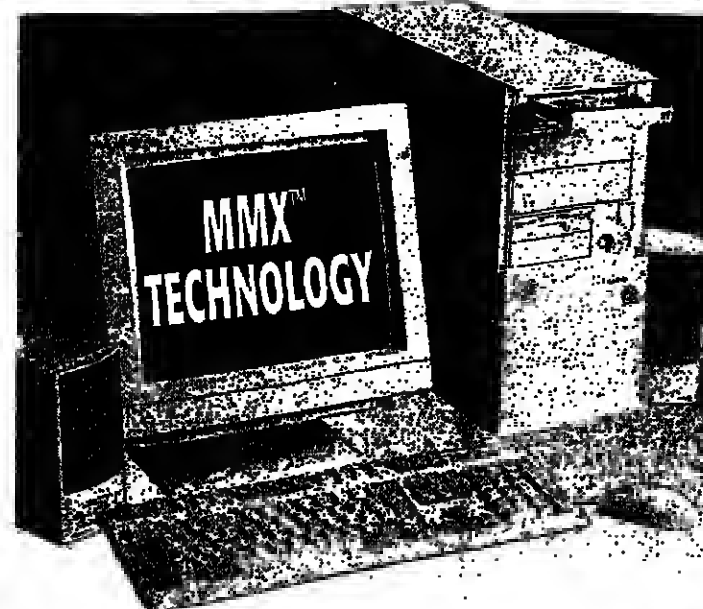
Handwritten text at the bottom of the page.

PC WORLD

THE COMPUTER SUPERSTORE

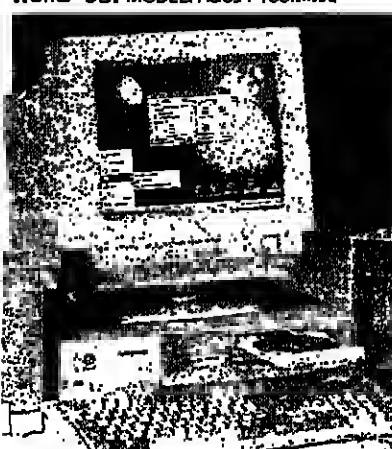
NOTHING TO PAY FOR UP TO 12 MONTHS*

SALE PRICES HELD



ACER
MMX™ TECHNOLOGY
166MHz Pentium Processor.
16Mb RAM. 2Gb hard disk. 15" SVGA monitor. Eight speed CD-ROM drive. 16 bit stereo soundcard and speakers. 2Mb PCI 3D graphics. 33.6Kbps data/fax modem. Over £650 worth of software! free including Windows '95 and works '95. MODEL: Acer P166MMX.

NEW £1599
BUY NOW PAY 9 MONTHS

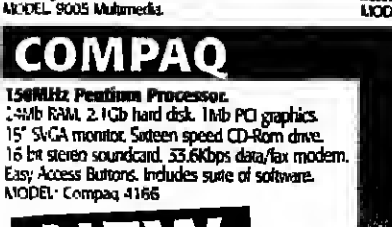


APRICOT
133MHz Pentium Processor.
16Mb RAM. 2Gb hard disk. 15" SVGA monitor. Eight speed CD-ROM drive. 16 bit stereo soundcard and speakers. 2Mb PCI 3D graphics. 33.6Kbps data/fax modem. Over £650 worth of software! free including Windows '95 and works '95. MODEL: Apricot P133 Multimedia.

NEW £1499
BUY NOW PAY 9 MONTHS



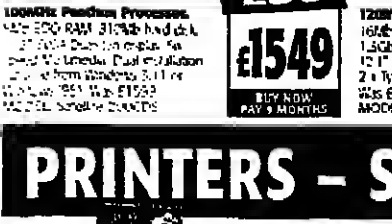
COMPAQ
133MHz Pentium Processor.
16Mb RAM. 2Gb hard disk. 15" SVGA monitor. Eight speed CD-ROM drive. 16 bit stereo soundcard and speakers. 2Mb PCI 3D graphics. 33.6Kbps data/fax modem. Over £650 worth of software! free including Windows '95 and works '95. MODEL: Compaq 4185.



PACKARD BELL
133MHz Pentium Processor.
16Mb RAM. 2Gb hard disk. 15" SVGA monitor. Eight speed CD-ROM drive. 16 bit stereo soundcard and speakers. 2Mb PCI 3D graphics. 33.6Kbps data/fax modem. Over £650 worth of software! free including Windows '95 and works '95. MODEL: Packard Bell 9011.



ACER
120MHz Pentium Processor.
8Mb RAM. 1.0Gb hard disk. 11.5" SVGA monitor. Six speed multimedia. 16 bit stereo soundcard and speakers. 2Mb PCI 3D graphics. 33.6Kbps data/fax modem. Over £650 worth of software! free including Windows '95 and works '95. MODEL: Acer 370PC.



TOSHIBA
133MHz Pentium Processor.
16Mb RAM. 2Gb hard disk. 15" SVGA monitor. Eight speed CD-ROM drive. 16 bit stereo soundcard and speakers. 2Mb PCI 3D graphics. 33.6Kbps data/fax modem. Over £650 worth of software! free including Windows '95 and works '95. MODEL: Toshiba 500CS.



HEWLETT PACKARD
133MHz Pentium Processor.
16Mb RAM. 2Gb hard disk. 15" SVGA monitor. Eight speed CD-ROM drive. 16 bit stereo soundcard and speakers. 2Mb PCI 3D graphics. 33.6Kbps data/fax modem. Over £650 worth of software! free including Windows '95 and works '95. MODEL: HP 4185.



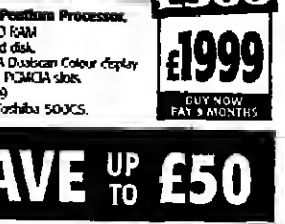
PACKARD BELL
133MHz Pentium Processor.
16Mb RAM. 2Gb hard disk. 15" SVGA monitor. Eight speed CD-ROM drive. 16 bit stereo soundcard and speakers. 2Mb PCI 3D graphics. 33.6Kbps data/fax modem. Over £650 worth of software! free including Windows '95 and works '95. MODEL: Packard Bell 9011.



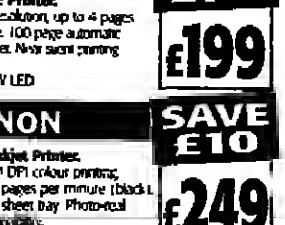
ACER
120MHz Pentium Processor.
8Mb RAM. 1.0Gb hard disk. 11.5" SVGA monitor. Six speed multimedia. 16 bit stereo soundcard and speakers. 2Mb PCI 3D graphics. 33.6Kbps data/fax modem. Over £650 worth of software! free including Windows '95 and works '95. MODEL: Acer 370PC.



TOSHIBA
133MHz Pentium Processor.
16Mb RAM. 2Gb hard disk. 15" SVGA monitor. Eight speed CD-ROM drive. 16 bit stereo soundcard and speakers. 2Mb PCI 3D graphics. 33.6Kbps data/fax modem. Over £650 worth of software! free including Windows '95 and works '95. MODEL: Toshiba 500CS.



HEWLETT PACKARD
133MHz Pentium Processor.
16Mb RAM. 2Gb hard disk. 15" SVGA monitor. Eight speed CD-ROM drive. 16 bit stereo soundcard and speakers. 2Mb PCI 3D graphics. 33.6Kbps data/fax modem. Over £650 worth of software! free including Windows '95 and works '95. MODEL: HP 4185.



OLIVETTI
133MHz Pentium Processor.
16Mb RAM. 2Gb hard disk. 15" SVGA monitor. Eight speed CD-ROM drive. 16 bit stereo soundcard and speakers. 2Mb PCI 3D graphics. 33.6Kbps data/fax modem. Over £650 worth of software! free including Windows '95 and works '95. MODEL: Olivetti 500CS.



133MHz PENTIUM PCs NOW FROM UNDER £1000

Acer ACROS
133MHz Pentium Processor.
16Mb RAM. 1.2Gb hard disk.
1Mb PCI graphics. 14" SVGA monitor.
Over £650 worth of software! including Windows '95 and Works '95. Was £1149.
MODEL: Acer ACROS P133 Multimedia.

BUY NOW PAY 6 MONTHS LOW PRICE PROMISE



PACKARD BELL
133MHz Pentium PC.
16Mb RAM. 1.2Gb hard disk. 14" SVGA monitor. Six speed multimedia.
Over £1000 worth of software! PLUS Canon Colour Inkjet Printer. 720 x 360 DPI resolution (black and colour). Up to 4.5 pages per minute. Photo-real printing capability. Was £1554.99.
MODEL: Packard Bell 9004 & Canon 4200.

SAVE OVER £50 £1499
BUY NOW PAY 9 MONTHS LOW PRICE PROMISE

PC WORLD THE COMPUTER SUPERSTORE

THE BEST CHOICE FOR ALL YOUR BUSINESS COMPUTING NEEDS

EXPERT ADVICE
A team of experts will help you choose the right computer for your business needs. We'll also help you with the purchase and installation of your new system.

IMMEDIATE AVAILABILITY
An unbeatable combination of over 5,000 top name leading edge products.

AFTER SALES SUPPORT
A dedicated team of experts will help you with any problems you may have with your new system. We'll also help you with the purchase and installation of any additional hardware or software you may need.

LOW PRICE PROMISE
We won't be beaten. We promise that if you find the same offer available at a lower price in any other local retail store within 7 days of purchase we will refund the difference - guaranteed providing you produce your receipt and details of where you saw the offer.

SAVE UP TO £150 ON PERIPHERALS

CD WRITER
Hewlett Packard SureStore 60201
Internal. Fast 6 speed, write enable CD-ROM drive. Create your own multimedia titles. Was £549.
SAVE £150 £399
LOW PRICE PROMISE

STORAGE
Internal 3.5 inch hard disk drives. Includes full set of back-up software. Was £99.
MODEL: Compaq 2135 Internal.
HALF PRICE £49

MODEM
33.6Kbps Data/Fax/Voice modem. Upgradeable. Includes full set of communications software. Was £229.
MODEL: US Robotics 232S Speaker.
X2 Upgradeable £179

SCANNER
Full colour A4 page scanner. Scans at up to 400 lines per inch resolution. Includes advanced document loader. Was £299.
MODEL: Page Scan 400.
SAVE £50 £249

DIGITAL CAMERA
Full colour digital camera. With LCD Display. Up to 99 images in memory - at full resolution. Was £399.
MODEL: Canon QV-10.
SAVE £50 £349

BUY 2 GET 1 FREE
On selected PC accessories. Ask in-store for details.

SOFTWARE - SAVE UP TO £290

VOICE DICTATION SOFTWARE
IBM Voice Type Simply Speaking. Turn spoken words into text by simply speaking to your computer. Ideal for anyone who'd rather talk than type. Sit back and relax as you work hands and eyes free.
NEW £99

INTERNET
Pages that all you need to access the internet quickly and easily. Includes the most popular internet software. Was £24.99.
SAVE £5 £19.99
LOW PRICE PROMISE

ANTI VIRUS
The software that protects your computer from viruses. Includes the most popular anti-virus software. Was £99.
SAVE £20 £79
LOW PRICE PROMISE

ACCOUNTS
Simple, easy to use accounts software. Includes the most popular accounts software. Was £99.
OUT NOW £99

COREL DRAW
The ultimate 3D graphics package. Includes Draw, Paintbrush, and Corel Font Manager. Was £299.
SAVE £290 £99
LOW PRICE PROMISE

FRONT PAGE 97
Macromedia Front Page 97 makes creating professional online web pages easy. There's no need for programming.
NEW £149

PAGES PRO 97
Macromedia Pages Pro 97 makes creating professional online web pages easy. There's no need for programming.
SAVE £50 £149

NOTHING TO PAY FOR UP TO 12 MONTHS

Plans right 1 jury c

Ancient 1 dates from

CD-ROM Football

£5 off

An interactive featuring a

Available

CREDIT (Price in

[illegible]

politics

PRIME MINISTER'S QUESTIONS

SCORING THE EXCHANGES

Tony Blair 2/10
John Major 2/10

If Blair thought Major should have acted on the report already, he might have said so. If not, he might have asked about something else. Instead he pursued the same topic.

Major pleaded ignorance of Blair's chosen topic, a Defence Select Committee report on Defence Medical Services. He said he hadn't yet read the report, but he "most certainly would".

THEMES OF THE DAY

• Gulf War Syndrome (Neil Gerrard, Lab, Walthamstow; Alex Salmond, SNP, Bannockburn; Paddy Ashdown and Blair)
 • Publication of school test results (David Congdon, C, Croydon)
 • The Army reserve (Tim Rathbone, C, Lewes)
 • The SSC, chief in Scotland (Andrew Welsh, SNP, Angus East)
 • Dead stowaways arriving in New Holland and Birmingham (Michael Brown, C, Brigg and Cleethorpes)

BLAIR'S ATTACK

Did Major accept the Defence Select Committee's report in its criticisms of MOD medical provision? "Of course we will consider the report," said Major. Blair then asked Major, if he didn't like what he read, who would take responsibility? "I suggest the Rt Hon Gentleman waits until we have examined it, of course we will," said Major. Blair clearly thought Major should have read the report, and have answers, but he devoted his third question to a soundbite: "when does anyone in this Government ever take responsibility for anything?"

GOOD DAY



Paddy Ashdown set out clearly the argument against the Government's case on organophosphates used in the Gulf war, causing Major initially to fumble and then to resort to angry bluster about scapegoats.

There was an unintentional dark comedy in Michael Brown's complaint about stowaways. "Although they are illegal immigrants, they are arriving dead and something needs to be done about it."

THE QUIP OF THE DAY

In his anger at John Prescott's catcalls, Blair resorted to an unparliamentary but evocative image: "There is a word for that, believe it's hypocrisy, Madam Speaker," and it's absolutely true. It seeps out of the Deputy Leader of the Labour Party.

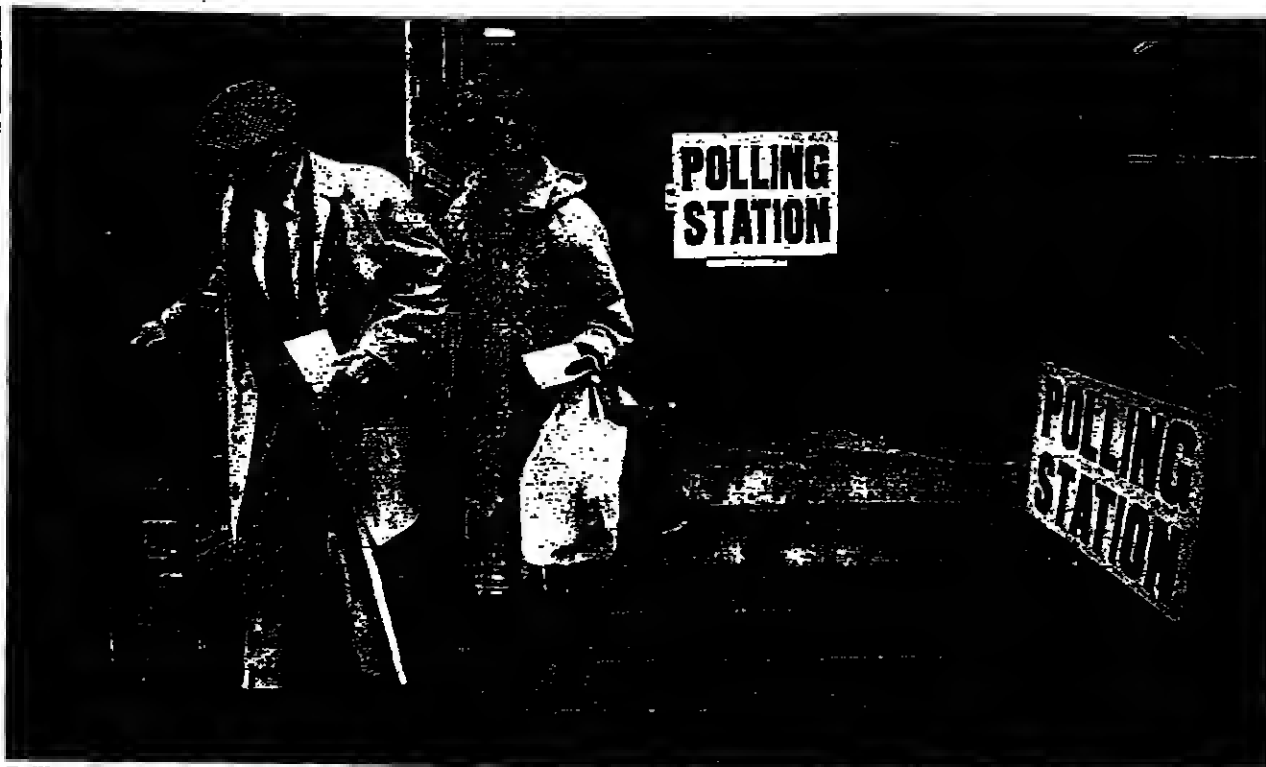
THE UNANSWERED QUESTION

Gerrard on Gulf War Syndrome: "Doesn't the denial of responsibility prove that the Hon Member for Croydon and Skipton's (Sir Edward Heath) assessment of the Secretary of State for Defence (Michael Portillo) as 'not honourable' was spot on?"

THE CREEP OF THE DAY

Congdon: "Does my Rt Hon. Friend agree that the publication of examination results has led to significant increases in standards in secondary schools? ... Can my Right Hon. Friend assure the House that the Government will do all it can to resist attempts by Unions and the party opposite to undermine these tests?"

Compiled by Ben Summers



Polling: Two voters leaving Victoria Hall, Bebington, during the Wirral South by-election yesterday. Photograph: David Rose

Child medicines fear

Colin Brown
 Chief Political Correspondent

Children are being prescribed hundreds of medicines which have never been properly tested or licensed for use on very young people, a cross-party committee of MPs said in a Commons report criticising the NHS for failing to cater more for children's needs.

Paediatricians are left having to guess child dosages as a percentage of the adult dose, and some medicines which are given

to children – such as Vitamin K, given to babies at birth – are not licensed for humans.

One medicine used to premature babies to help them breathe has never been approved and is not intended for children under three.

The Commons Select Committee on Health, chaired by former Conservative minister Marion Roe, said it was "astonished" to discover that medicines tested and licensed for adults were given to children without proper checks. The

MPs said the public would also be astonished at the discovery. Many medicines currently given to the children are administered by a route, in a formulation, or in a dosage which has not been approved by the Medicines Control Agency.

The Government has been aware of the lack of checks on children's medicines since a working party report in December 1995.

Department of Health officials said the situation was "clearly unsatisfactory", but

pointed out that the Medicines Control Agency had no evidence that any children had suffered harm as a result of a lack of specific testing and licensing for children.

Expressing deep concern, the MPs said: "In the absence of a satisfactory system of testing and licensing, we cannot know that this is the case, nor can we know of the minority of cases – possibly a very tiny minority – where children have suffered actual harm from taking such medicines."

Audrey Wise, a Labour member of the committee said the MPs did not want parents to panic. "There is this 'guilt-trip' attitude and I don't think we would stand for that with adults," she added.

Experts in child health said parents should not fear their children were at risk.

The most commonly used medicines such as cough mixtures and antibiotics are fully tested on children before being sold over the counter or prescribed.

The committee has spent months investigating children's health, and said it did not produce a more comprehensive report because of the shortage of time before the general election.

But its findings will put children's health high on the agenda for whichever party is returned to power.

DAVID Aaronovitch

Disgrace in favour as Labour riposte

The word "disgrace" is currently the Labour abuse-word of choice. It can be lengthened lovingly to a satisfying "ab-so-lute dis-s-grace", or – enhanced by two saliva bursts – spat out for that desirable Added Contempt effect. Since it took over from the much more unwieldy "obscenity" (about a month ago), there has been a competition among Labour backbenchers to see who can deliver it with most venom.

Eric Prentice, a John Laurie soundalike from Penlly, is currently winning. Poor Mr Prentice inhabits an exhausting world. Too much milk in your tea? Disgraceful! Been in the bathroom too long? It's a disgrace! So, when his colleague, Neil Gerrard (Walthamstow), asked the Prime Minister a question about the victims of Gulf war syndrome, it was naturally a "disgrace" that "no-one in government is prepared to accept personal responsibility" (ie. to resign). Mr Major told him – without too much rancour – that there would be compensation for victims, but that first "we need to establish what caused the ailments". Action would then follow.

"Give us Soames!" shouted Tony Banks, in an inaccurate Biblical reference to the crowd's demand for Barabbas to be freed. "Disgraceful!" shouted other, more conventional Labour MPs, but Mr Major looked to have weathered the storm. Especially since Tony Blair then asked about a related, but unrelated, issue – a Defence Select Committee report published that morning – on defence medical services. This painted a picture of the armed forces returning to the days of bloody amputations without anaesthetic.

Theoretically this question was easier for the Prime Minister. He had not read the report, he told Mr Blair. He'd heard of it, sure, but he hadn't actually read it. He would read it, of course he would. And when he had, wild horses would not be able to prevent him from commenting.

Mr Blair persisted. If, when he did read the report, he found that things were dreadful, "which minister will take responsibility?" Mr Blair should wait, replied the PM, until the report had been read. But he was able to welcome the report's endorsement of aspects of the Government's policy. "But you said you hadn't read it!", shouted Labour. "I haven't read it!" Mr Major shouted back, rattled. "It's a disgrace!" replied Labour, happily.

The degree of the PM's rattlement became apparent later when John Prescott interrupted a high-pitched Major peroration on the danger of trades unions, by calling out "wait till Wirral tonight!" "Wait till Wirral he says!" yelled the PM, his voice rising to glass-threatening pitch. "He doesn't address the issue! He is steeped in hypocrisy!" "You're a disgrace!" someone shouted back.

The mood of chaotic despair spread from the leader to the led. In a contribution that testifies to the terrible confusion that happens when humanity meets Howardism, Michael Brown (C, Brigg and Cleethorpes) raised the question of stowaways arriving at the port of Immingham. Fleeing from Nigeria and Sierra Leone, many were suffering. He finished thus: "These people, are travelling in dreadful conditions. Although they are illegal immigrants they are arriving dead. And something needs to be done about it!"

There was a moment of silence. Then, on Labour's front bench, Frank "Beaver" Dobson began to laugh – at first surreptitiously like a naughty schoolboy, and then out loud, his furry face becoming a nocturne in red and silver. And those behind him, for whom the words "immigrants" and "dreadful conditions", usually conjure up one word only – "disgrace" – also began to giggle and some to guffaw. Yesterday – for Labour – everything was a laugh.

Tebbit pours scorn on Heseltine the fixer

Anthony Bevis
 Political Editor

Further evidence of the deep-seated personal detestation felt by leading Conservatives for their party colleagues was provided yesterday by Lord Tebbit in a review of a book on Michael Heseltine.

Writing of his former Cabinet colleague, Lord Tebbit said: "At times his conduct has been tasteless, tacky if not dishonourable, and self-centred beyond even the call of his profession."

In a review of Michael Crick's new biography of the Deputy Prime Minister, he wrote in the *Spectator*: "The only thing for which Heseltine will be remembered, [is] the political regime which brought down our greatest post-war prime minister."

He said that as an adolescent, Mr Heseltine turned himself into a political missile, targeted on the office of Prime Minister. "Like a laser-guided weapon, once assigned to his mission, Heseltine has remained on track ever since."

But Lord Tebbit took evident satisfaction from his conclusion, that the missile's chances of hitting its target – Number 10 – were fast receding. "It is still on track but running out of fuel," he said, "and the target is accelerating away."

As for the book's judgement, Lord Tebbit said: "Heseltine appears as a man of no great political insight, but a shrewd political operator, driven by ambition rather than idealism. Neither particularly left or right, a corporatist and fixer by instinct and practice, he could never understand Margaret Thatcher."

But he also alleged that there was an inbuilt male chauvinism at work, saying: "At the roots of his hostility to her is a macho streak which sees only a subservient role for women, however talented, and a resentment that a woman achieved the supreme office which he coveted and which was denied him."

Balancing an essentially hostile verdict on the Deputy Prime Minister, Lord Tebbit said that in spite of bungled privatisations of the Post Office and coal, it

would be wrong to forget Mr Heseltine's successes. "His establishment of the Audit Commission, the creation of the Urban Development Corporations and his successful campaign against CND [Campaign for Nuclear Disarmament] weigh heavily in his favour."

But his overall verdict is negative. "Heseltine's laser-guided system can focus on only one target at a time," he said. "He is a supremely good one-ball juggler, but a prime minister must keep a dozen or more balls in the air – and that he could not do."

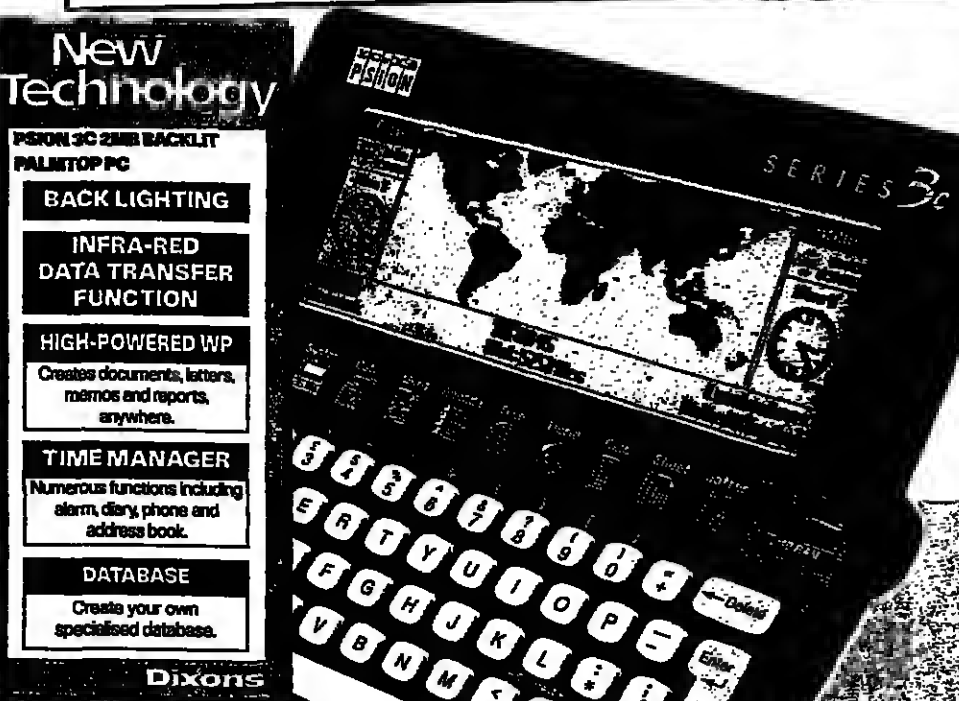
The Tory hille later split over to the left of the party when Sir Nicholas Scott, a former minister, defended Mr Heseltine, saying Lord Tebbit had "gone over the top" and that he was longer regarded as "a serious player in the political field."

As for Lord Tebbit's charge of dishonourable conduct in pursuit of the leadership, Sir Nicholas told Radio 4's *The World at One*: "I don't believe he has pursued that ambition in any sort of underhand way. He has been open. He has been articulate."

Dixons

THE NEW PSION PALMTOP PC

PLUS INTEREST FREE OPTION*
 ON EVERYTHING OVER £100
 WHEN YOU PROTECT YOUR PURCHASES WITH COVERSPLAN EXTRA



PSION 3C 2MB BACKLIT PALMTOP PC
 • Word processor, database, spreadsheet and World Time.
 • File manager and jottar facility.
 • Linkable to your office PC, printer and fax via optional extras.

£399.99

ALSO AVAILABLE
PSION SERIES 3C 2MB PALMTOP PC
 No screen without backlighting.

£369.99

SPREAD THE COST WITH
NEW INTEREST FREE OPTION
 When you buy any product over £200 together with Coversplan Extra you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 - 48 monthly payments of £5.83 and the balance of £235.99 before the 48th month.
 0% INTEREST for the 48th month payment.
 All loans subject to credit check. When you open a Dixons Advantage Account (Credit Facility) you can spread the cost of your purchase over 48 months interest free. Typical example: Cash price £299.99 - Deposit £24.00 - Loan Amount £275.99 -

Top-scoring universities to bail out rivals

Lucy Ward
Education Correspondent

England's best performing universities will be "taxed" next year, in order to bail out their less successful neighbours, higher education funding chiefs revealed yesterday.

The special measure, which is designed to help universities absorb any steep changes in funding, will mean that high-flying institutions, such as Oxford and University College London, will have almost a million pounds each clawed back from their teaching and research funding.

A total of £12m will be diverted to cushion other universities, including Exeter and Manchester, which are having to cope with funding cuts in 1997-98 compared with 1996-7. Manchester has suffered because it achieved particularly well in previous years.

The Higher Education Funding Council for England revealed the so-called "moderation" policy yesterday in its announcement of the distribution of £3.4bn in government funding for the next academic year among 209 higher education institutions and further education colleges.

HEFCE aims to protect universities from the effects of a change in the formula used to calculate their funding, which has resulted in more money being channelled towards those top-class research, to the detriment of those with a below-average performance.

However, even after they have been capped, the high-flying universities are unlikely to be disappointed with their substantial grants.

Oxford, which topped the research league table, will get over £83m, while UCL will receive only slightly less.

Overall, the lump sum which has been allocated by the Government for university funding has been frozen for the next academic year. The increase of 2.8 per cent in cash terms is roughly in line with inflation.

However, university teaching unions and the Committee of Vice-Chancellors and Principals warned that there was still not enough money to go round.

Professor Jack Simmons, the vice-chairman of the Association of University and College Lecturers, said the settlement effectively meant a continuation of last year's cuts, when funding was slashed by 2.3 per cent in cash terms.

He added: "We are disappointed but not surprised by this. This means that university funding will still be 2.5 per cent to 3 per cent down on what it was two years ago. Universities will continue to shed staff."

Professor Gareth Roberts, CVCP chairman, called the overall level of funding "grossly inadequate", although he praised HEFCE's decision to concentrate money where excellence is highest.

The universities are also having to weather a two-year freeze in the level of tuition fees paid by the Government for each student via the local education authorities.

HEFCE's chief executive, Professor Brian Fender, denied that universities would suffer unduly under the latest funding round, claiming that the latest settlement by the Government, which was an improvement on the previous year, had allowed the funding council to maintain stability by placing in change.

The distribution revealed a mixed picture, with no clearly distinguished categories of winners and losers.

Under a new initiative being introduced for 1997-8, former polytechnics whose research performance is just too low to attract funding will be encouraged to collaborate with other, more successful, universities to bid for a share of a £16m funding pot.

Oxford University's vice-chancellor, Dr Peter North, said that, although Oxford welcomed its substantial grant, the need for a cap on high-achieving universities indicated that the policy of rewarding excellence in research was not working fully.

He said: "It points to the need for better funding overall for higher education."

Universities were pinning their hopes on Sir Ron Dearing's inquiry into higher education, which is due to report in the summer, to win extra money for the sector, he said.

How the cake is cut			
Winners	Percentage	Losers	Percentage
Cranfield University	103	University of Exeter	minus 0.6
University College London	95	Aston University	minus 0.5
University of York	72	Queen Mary and Westfield College	minus 0.3
University of Oxford	75	Coventry University	minus 0.1
Imperial College London	74	East Anglia	minus 0.1
Royal Holloway	74	University of Kent	minus 0.1
University of London	74	University of Manchester	minus 0.1
Goldsmiths	73	University of Hull	0
University of Bath	70	University of Liverpool	0
London School of Economics	69	City University	increase 0.1
University of Sheffield	67		

The table shows the 10 English universities with the highest percentage increase in net grant in 1997-98 compared with 1996-97 and the 10 with the greatest percentage fall or smallest increase. The list excludes colleges and institutes of higher education, and specialist schools and institutions.



Faded glory: The eponymous dolphin statue in the square's central gardens, where residents have a rare opportunity to meet. Photograph: Brian Harris

Life and death in Dolphin Square

Michael Streeter on the block of flats that has been home to the famous, infamous and notorious



It has been the relatively low rents, especially for those who have stayed long-term. One resident told *The Independent* he pays £4,000 a year for a large one-bedroom flat, well below the normal market rates for Pimlico. However, he claims the old ethos of giving flats to those who worked in the Westminster area, had important jobs and were desperate for accommodation has been replaced by the quest for higher income.

"If a new tenant had my flat now it would cost them £9,500 a year. It's all about who pays the most."

But the highest menace, said one male resident, is the prevalence of elderly female residents who monopolise the garden benches.

"If you say hello to them, that's it, you'll never get away. God bless them," he said.

According to an official history of the site, Dolphin Square, a vast block of flats in Pimlico, central London, has been home to the "famous, infamous and the notorious".

To that list can be added the tragic, after the death of the Conservative MP Iain Mills at his flat there and the inquest verdict this week that he died from acute alcohol poisoning.

Outsiders may wonder at the revelation that the MP's death went unnoticed for two days in a block of 1,200 apartments and residents, all within a short taxi ride of the House of Commons.

But for those who live in the 1930s block, the largest of its kind in Europe, the lonely fate of the MP came as no surprise. One tenant told *The Independent*: "It comes as no shock, you

can lead a very solitary, almost reclusive, life here. The corridors are very private." He added: "I only see one of my neighbours about once every four months."

The former Liberal leader Sir David Steel, a long-time tenant, and one of 50 MPs who take advantage of the Square's proximity to Parliament, is also unshocked. "It's very much a place where you keep yourself to yourself. I can quite understand how it happens that no one noticed he was missing for a couple of days."

The Square, which is run by a trust, has a rather dark air, with its dolphin statue fountain in the central gardens. Keep Quiet signs and park benches. It reminds visitors of a slightly run-down council park and buildings. One almost expects to hear a brass band striking up on summer afternoons.

Part of its fame comes simply from its ability to attract the famous and influential. Apart from MPs - who include Labour's heritage spokesman, Jack Cunningham - there are numerous Lords, generals and senior civil servants who relish its location. Among the more notorious former guests are Christine Keeler, Mandy Rice-Davies and the spy John Vassall.

IRA shave and daub girl, 16

David McKitterick
Ireland Correspondent

A 16-year-old Northern Ireland girl yesterday recounted a terrifying experience, apparently at the hands of the IRA, in which up to five men punched her, backed off her hair and poured paint over her.

The incident, in Armagh city, was the latest example of the "punishment attacks" which both republican and loyalist groups carry out.

The attack happened as an attempted mortar attack on security force patrols in the Falls Road area of Belfast was aborted.

The attack on the teenager was reminiscent of the tarring and feathering incidents in the early days of the troubles, when girls and women who associated with soldiers were branded "soldier dolls" by the IRA.

The teenager, Judith Boylan, yesterday spoke of her ordeal in a BBC interview. She said: "It was my first night working in a taxi office. I was sitting there with my sister and two masked men came running in, pulled the counter away, grabbed me by the hair, threw me off the chair and called me out by the leg and hair into a taxi they had stolen."

"I thought I was going to die."

The judge said he could see "no useful purpose" in granting the families permission to challenge the decisions by South Lancashire, Essex, Lancashire, and Bury and Rochdale health authorities. He said the authorities were entitled to adopt certain policies - and the parents would only have an arguable case if they could show the authorities had failed to consider whether their children had "special needs".

Ann Alexander, a solicitor representing one of the families, said after the hearing: "We have lost the battle but won the war. The judge refused us leave to proceed to judicial review but made it quite clear that he accepts that families can go along to the health authorities and express individual grounds which would justify having this treatment. If they can justify that their case is special then the health authority must listen to them."

Families lose haemophilia battle

Glenda Cooper
Social Affairs Correspondent

Four haemophilic boys yesterday lost their fight in the High Court to try to force health authorities to fund treatment which is generally considered most effective by doctors.

The judge, Mr Justice Jowitt, rejected claims by the families of the boys that three North West health authorities had unlawfully imposed a blanket

ban on funding treatment with an expensive blood-clotting agent because of the cost.

In what was believed to be the first case of its kind, the boys were taking action against three health authorities after they decided that they would no longer be treated with a purer, artificial form of the clotting agent Factor VIII, but a cheaper plasma-derived version which carries a higher risk of viral infection.

The judge said he could see "no useful purpose" in granting the families permission to challenge the decisions by South Lancashire, Essex, Lancashire, and Bury and Rochdale health authorities. He said the authorities were entitled to adopt certain policies - and the parents would only have an arguable case if they could show the authorities had failed to consider whether their children had "special needs".

Ann Alexander, a solicitor representing one of the families, said after the hearing: "We have lost the battle but won the war. The judge refused us leave to proceed to judicial review but made it quite clear that he accepts that families can go along to the health authorities and express individual grounds which would justify having this treatment. If they can justify that their case is special then the health authority must listen to them."

DAILY POEM

Blue Films
By Geoffrey Holloway

These aficionados so dramatically at it -
angling their carrots, their bossy boots,
twiddling frantic nipples, wiping tongue on tongue -
these topsy-turvy bareback braves
quitting the bedsprings, scarping each other's noons
from climax to head-squirmed suffocating climax
where do they live, apart from this?

Why do they never show the rest of it -
post-triumphant coasting its quiet level
with surrendered skin, no more playing to impress?
Never the mindful details that make love -
sifting the weight to propped elbows,
sorting the divet so that feet aren't cold,
doodling fingertip edges, squeezing a sleepy thigh,
gong the dovelighted miracle its ark?

Born in 1918, Geoffrey Holloway served as a parachutist in the D-Day landings and later worked as a psychiatric social worker in the Lake District. He has published 11 collections, and *Blue Films* has now joined *Why Not?* Its selected poems 1972-94 (from which *Blue Films* comes). It is available from Harmond Press, 4 Mitchell Avenue, Jesmond, Newcastle upon Tyne NE2 3LA, price £7.99.

MPs' motion calls for cloning inquiry

Colin Brown
and Charles Arthur

A cross-party group of 40 MPs last night tabled a Commons motion calling for an investigation into cloning to be carried out following international alarm at the discovery of the technique in Britain.

The group, led by Bill Cash, a senior Tory backbench MP, includes former ministers, Labour MPs and Liberal Democrats. The motion calls for an ad hoc committee of MPs to carry out the investigation.

"An inquiry is needed in the interests of our constituents and the nation as a whole. It is crystal clear that what is being done is being monitored by scientists. They are not elected and these questions are so important that

the issues have to be thoroughly investigated by lay people, with the facts brought out on the table, not kept behind closed doors," Mr Cash said.

The possibility of the cloning of humans topped the agenda at the first meeting yesterday of the Human Genetics Advisory Commission. But the nine members decided only to check that existing UK laws are adequate to prevent it happening here.

Cloning of human embryos by nuclear transfer - the technique used to produce Dolly the sheep - is already expressly forbidden by the 1990 Human Fertilisation and Embryology Act.

Sir Colin Campbell, the commission's chairman, said: "There is no doubt that genetics will continue to be a major issue."

Leading article, page 17

Unique wrap around design provides 40% more protection than other sunglasses.

Wear alone, with contacts or over regular glasses.

FROM ONLY £9.95
Complete with case

Shields delicate skin around the eyes.

Virtually unbreakable lenses are hard coated to resist scratching.

Give your eyes 100% protection from harmful UV rays with SolarShield Wraparounds.

We all know that we must protect our skin if we spend lots of time in the sun. Yet apart from the use of conventional sunglasses which offer only limited protection, we tend to leave our eyes and their sensitive tissue relatively unprotected.

SolarShields with their wraparound design are one of the fastest growing styles around and offer maximum UV and glare protection - 40% more than conventional sunglasses.

Dark grey, with optical quality lenses, SolarShields are scratch and impact resistant, making them ideal for sport as well as sunbathing. With the polarised option featured above, glare from reflective surfaces such as snow or water is eliminated. Designed to fit all sizes, you can even wear these over your ordinary glasses saving you £££'s on prescription sunglasses.

SolarShields are laboratory tested to exceed USA, NASI and FDA standards, making them the No1 best selling protective sunglasses. Recommended by leading ophthalmologists worldwide. No wonder sales now exceed 30 million pairs.

100% Block UVA/UVB	✓
Fits over prescription glasses	✓
Impact resistant	✓
New wrap around design	✓
Polarised option	✓

Order anytime by telephone 01274 691155 or by completing the coupon below. SolarShield Wraparounds comes with a 30 Day Money Back Guarantee of Satisfaction.

SAVE UP TO £20

Buy more than one pair for yourself or perhaps for a friend and you can SAVE UP TO £20

SEE ORDER FORM FOR DETAILS

SAVE UP TO £20

Complete and post today to: Prospect Mail Order, Crown Point Mills, Wyke, Bradford BD12 9QD.

Qty. (Pairs)	Price	RRP	Total	Saving	Tick to order
1	£9.95	£2.95	£12.90	-	
2	£16.95	£2.95	£19.90	Save £5.90	
3	£22.95	£2.95	£25.90	Save £12.80	
1	£14.95	£2.95	£17.90	-	
2	£24.95	£2.95	£27.90	Save £7.90	
3	£29.95	£2.95	£32.90	Save £20.80	

I enclose my cheque/PO for £..... made payable to Prospect Mail Order. Or please debit my Access/Visa Card No. Expiry date

Mr/Ms/Ms/Ms
Address
Postcode
Telephone
Signature X.....

Please allow 28 days for delivery. Reg No. 1645454. Further offers which may be of interest, may be sent to you by other carefully selected companies. If you do not want to receive them, please write to Prospect Mail Order, Crown Point Mills, Wyke, Bradford BD12 9QD.

Prospect Mail Order Ltd, Crown Point Mills, Wyke, Bradford BD12 9QD.

A Fresher WAY OF Banking

Do you realise that your bank could be charging you up to 30 times more than Abbey National would for your overdraft?

If you're interested in saving money, take a closer

look at Abbey National and we think that you'll see

we have a fresher view of banking. Low cost overdrafts are just

one of the features that save you money at

Abbey National. What's more, so that the transfer

from your old bank runs smoothly, new customers

can enjoy an interest free overdraft for four

months. If you're thinking of moving your account just

pop into your nearest branch or call us for your free

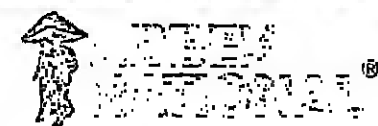
Information pack and video, quoting reference ACC/13.

	Approved Monthly Overdraft Fee	Approved Overdraft Rate APR	Cost of a £200 Authorised Overdraft for 5 days each month over a year
ABBEY NATIONAL	£0	11.9%	£3.70
BARCLAYS	£5	18.8%	£65.67
LLOYDS	£8	18.8%	£101.67
NAT WEST	£9	18.9%	£113.70
TSB	£6	18.8%	£77.67

*Source: The Research Department Ltd. All financial information is checked for accuracy on a weekly basis.

0800 375 375

www.abbeynational.co.uk



BANK
account

Low Cost Overdrafts

Telephone lines open 24 hours. Comparison based on interest bearing current accounts. Rates may vary. Overdrafts and Multifunction cards are subject to status and are not available to persons under 18 years. Written quotations are available on request. After the initial interest free period interest will be payable at the standard variable rate, currently 11.9% APR on authorised overdrafts. APR is variable. Overdrafts are only available to Abbey National Bank Account holders and are repayable at any time in accordance with our personal banking terms and conditions. Finance banking is only available to Abbeylink, Electron and Multifunction card holders. Abbey National and the Umbrella Finance System are trademarks of Abbey National plc, Abbey House, Baker Street, London NW1 6AT, United Kingdom.

news

Medical cuts could stymie defence plan

Christopher Bellamy
Defence Correspondent

Government cuts to medical support for the British Armed Forces could frustrate current plans for the military.

Since 1990, the number of medical support employees has fallen from 9,461 to 6,946, and further cuts are planned.

The all-party House of Commons Defence Select Committee said in a report published yesterday that lack of military medical support for the front line in the event of serious hostilities short of all-out war, it said. And, in a bitter attack on the Government it goes on: "The committee can see no better example of the Defence Costs Study failing to enhance front-line capability."

Two weeks ago, the MoD published the first British Defence Doctrine, and last week announced plans to reinforce quick-reaction forces as part of the shift in military planning

from a "continental" to an "expeditionary" strategy.

But the committee report said unless the plans to reduce medical support were reversed, the number of British troops sent to any crisis situation would be limited by the number of medics available to tend the casualties.

The report was uncompromising. "We fear that the major reductions in the defence medical services will reduce the ability of the UK to generate military medical support for the front line in the event of serious hostilities short of all-out war," it said. And, in a bitter attack on the Government it goes on: "The committee can see no better example of the Defence Costs Study failing to enhance front-line capability."

The report adds: "The Defence Medical Services are not sufficient to provide proper sup-

port to the front line in all realistic scenarios and show little prospect of being able to do so in the future." Therefore, "a choice would have to be made between sending troops without proper medical support or only sending the limited number of troops who could be supported".

Bruce George, a Labour member of the committee, said: "This is one of the most devastating reports ever produced by the committee. It highlights the near-destruction of our medical services, all in the name of alleged 'efficiency'." Mr George linked the failure of a division within the Surgeon-General's area in the MoD to provide accurate information about the use of organophosphate pesticides in the Gulf War with the lack of spending and low morale in the Defence Medical Services, a charge

Nicholas Soames, the armed forces minister, denies.

The report noted that "the prime purpose of the Defence Medical Services is to train medical staff for war". Peacetime would not provide enough cases to keep doctors and nurses occupied. However, leading military thinkers believe the distinction between "wartime" and "peacetime" is increasingly meaningless in a world where one third of the British Army is on active service, preparing to go or recovering.

"We conclude that... the Defence Medical Services are not sufficient to provide proper support to the front line in all realistic planning scenarios and little prospect of being able to do so in the future."

Defence Committee. Third report, Defence Medical Services. (HMSO), £12.50



Congratulations: A model presenting Sonja Nuttall (left) with flowers yesterday morning after the successful showing of the fashion designer's new collection in an icy loading bay at Selfridges, on Oxford Street, London

Sonja's chilly show gets a warm welcome in new fashion climate

Tamsin Blanchard
Fashion Editor

When Sonja Nuttall showed her first collection on the London catwalks in 1993, she was hailed as one of a new generation of rising stars.

After just two years, the St Martin's graduate from Liverpool had built up stockists including Pellicano, Jones, Harvey Nichols and Liberty. Business appeared to be going well, although as a small designer, she suffered the usual problems of cash flow, manufacturing hitches and unreliable delivery.

After her third collection in March 1995, she decided to take a break from the catwalk, a risky move in an industry that is famously fickle and moves on to the next big thing as soon as there is a gap on the mile.

But yesterday morning, Nuttall stepped out once again, and showed her new collection in an icy loading bay at Selfridges on

Oxford Street in London. "I last slept 24 hours ago," she said after the show which was given a warm reception by press and, more importantly, buyers and representatives from Marks & Spencer.

Clinton Silver, chairman of the British Fashion Council, who watched the show wrapped in a silver survival blanket, had given a personal donation to support the 32-year-old designer.

Since her last collection, Nuttall has been building a new side to her business, hiring out her services as a consultant. The bulk of her time has been spent working with the Irish company Peterson, purveyors of hand-crafted tobacco pipes. It is an unlikely combination, but Nuttall developed a line of luxurious travel boxes, ties, gentlemen's smoking jackets and pyjamas. She also kept up deliveries of capsule collections for the Japanese store Iwaya.

On top of that, she teaches

two days a week at Central St Martin's.

The 20-minute catwalk show yesterday also served as a showcase to prospective clients who might be interested in tapping Nuttall's talents to develop their own products. Increasingly, wise designers are linking up with mass-market retailers, putting an end to the days when the high street merely copied catwalk designs. Now they use designer expertise first-hand. Marks & Spencer already works with Tanya Sarne from Ghost and the bag designer Orla Kiely on accessories, while Burton has deals with designers including Clements Ribeiro for Dorothy Perkins, Jasper Conran, Philip Treacy, and Lulu Guinness for Debenhams. Paul Frith consults for B&S. A consultancy can be worth up to £60,000.

Nuttall's own consultancy work has allowed her to employ two full-time members of staff, and to put together her most ac-

complished, focused collection to date - a commercial hit.

Those who saw the show were impressed and there was talk of a "young Jil Sander" among excited buyers. She may still be a young label, but the clothes - classic tailored masculine suits, chalk-stripe coats, luxurious knitwear, and simple jersey dresses - were modern classics: desirable, wearable, flattering and devoid of gimmicks.

Nuttall has a sense of what is commercial and what constitutes strong design. Her long-term plan to develop consultancy work alongside her own label is the way forward for any sensible young British designer.

"My ideal situation would be to have my own collection as well as two consultancies," she said. "Thank God for backers and investors, but it's never easy." She may still have a struggle on her hands, but this time, Sonja Nuttall's future looks secure.

Nicholas Simmes, the senior forces minister, denies the claim. The report noted that the prime purpose of the Defence Medical Services is to train medical staff for war. "Peace time would not provide enough cases to keep doctors and nurses employed. However, less military thinkers believe that distinction between 'war' and 'peacetime' is increasingly meaningless in a world where one third of the British Army is active in service, preparing for a contingency."

"We consider that ... the Defence Medical Services are sufficient to provide good support to the front line in realistic planning scenarios and the prospect of being able to do so in the future."

Defence Community Third Report, Defence Medical Services, 1996, 212-50.

ets a warm
ion climat

[illegible]

SAVE UP TO £520
ON TOP BRAND MULTIMEDIA PCs



COMMODORE
MULTIMEDIA PC
 • Intel 120MHz Pentium processor • 5Mb EDO RAM • 256Kb cache memory
 • 1.2Gb hard disk drive • 8 speed CD ROM drive • 330 accelerator card
 • 16 bit Waveblaster surround sound card
 • Free Mini Office Works® includes:
 word processing, spreadsheet,
 chairman, report generator and
 database. "Overall a brilliant little
 package" WHAT PC MAGAZINE
 Model P121

"BUY NOW PAY 6 MONTHS LATER"

£999.99
incl. VAT

**EXCLUSIVE
 TO COMET**



OLIVETTI
MULTIMEDIA PC

- Intel 120MHz Pentium processor
- 2MB EDO RAM • 1Gb hard disk drive
- 8 speed CD ROM drive
- 16 bit 3D sound card technology
- Built-in speakers and subwoofer
- 14" monitor • Windows 3.11 software kit, Model 33-320

was \$1449.99 previously \$1299.99
in-store sale \$1099.99

BUY NOW PAY 9 MONTHS LATER*

SALE VOUCHER
\$1049.99
MS. VLT

SAVE
\$250

INCLUDES 20 SOFTWARE TITLES



AST.
MULTIMEDIA PC

- Intel 486/33MHz Pentium processor
- 16MB EDO RAM
- 256K cache memory
- 16MB hard drive
- 6 speed CD ROM drive
- 16 bit Waveblaster surround sound
- 3D graphics accelerator card
- 32.6 DMD software
- Installation 14 software titles

Model 7503, \$21549.99
In-store sale \$1499.99

BUY NOW PAY 12 MONTHS LATER*

SALE VOUCHER **SAVE**
\$1299.99 **\$250**
PCWV

INCLUDES 14 SOFTWARE TITLES



BEST
MULTIMEDIA PC
With 133MHz Pentium processor
16MB ED0 RAM • 256KB cache
memory • 1.2GB hard disk drive
8 speed CD ROM drive • 16 bit
Waveblaster sound card
33.6 DSVB modem • Includes
free speaker box, Model 7312

BUY NOW PAY 12 MONTHS LATER*
£1349.99 **NEW**
INC VAT
INCLUDES 10 SOFTWARE TITLES
WORTH OVER £450*



3 Intel 80486/2 Pentium processors
 2.5GB hard disk drive
 8 speed CD ROM drive
 16 bit Waveable surround sound
 33.6 DSVB fax/modem
 Includes 12 software titles
 Model 9304, was £1789.99
 previously £1869.99, £1849.99
 in-store sale £1569.99

15.95 EPO PAY £2500 cash
 BUY NOW PAY 12 MONTHS LATER*

SALE VOUCHER
£1479.99
INC VAT

SAVE
£520

INCLUDES 12 SOFTWARE TITLES

THE COMET PRICE PROMISE

THE COMET PRICE
YOU CAN'T BUY BETTER

If you buy any product from Comet, then within 14 days find the same offer on sale locally at a lower price, we'll willingly refund the difference. **PLUS 10% OF THAT DIFFERENCE.** Ask in store for full details.

COMET SALE FINAL WEEKEND

PLUS
BUY NOW PAY UP TO
12 MONTHS LATER



COMMODORE

MULTIMEDIA PC

- Intel 166MHz Pentium processor with MMX™ technology
- 16Mb EDO RAM ● 2.0Gb hard disk drive
- 12 speed CD ROM drive
- 3D graphics accelerator card with 2Mb EDO RAM
- 16 bit soundblaster compatible sound card ● 33.6 DSVD fax/modem
- 15" monitor ● 7 software titles including 1 dedicated MMX™ technology titles, Model P166

BUY NOW PAY 12 MONTHS LATER*

£1699.99 INC VAT

NEW

INCLUDES 7 SOFTWARE TITLES

**MULTIMEDIA PC/PRINTER PACKAGE
FROM ONLY £29.99 PER MONTH**

Buy the PC you need today and spread the cost by making a monthly payment that best suits your budget. These examples show what the monthly payment would be when spread across a 36 month period. (Interest will be charged at **19.9% APR**, variable). Subject to acceptance.

COMMODITY	CASH PRICE	DEPOSIT REQUIRED	MONTHLY PAYMENT	PAYMENT PERIOD	TOTAL AMOUNT PAYABLE
COMMODORE P120	£999.99	£180.84	£29.99	36 months	£1260.48
OLIVETTI 53-120	£1049.99	£121.59	£33.99	36 months	£1345.23
AST 7303	£1299.99	£207.70	£39.99	36 months	£1647.34
AST 7312 PC/PRINTER PACKAGE	£1349.99	£257.70	£39.99	36 months	£1697.34
AST 9304	£1479.99	£251.13	£44.99	36 months	£1870.77
COMMODORE P166	£1699.99	£334.56	£49.99	36 months	£2134.20

COMET

**ALL STORES OPEN SUNDAY & UNTIL 8PM WEEKDAYS. RING FREE ON 0500 425 425
FOR DETAILS OF YOUR NEAREST MULTIMEDIA COMPUTER CENTRE**

TOP BRAND

PRINTERS



LEXMARK
COLOUR INKJET PRINTER

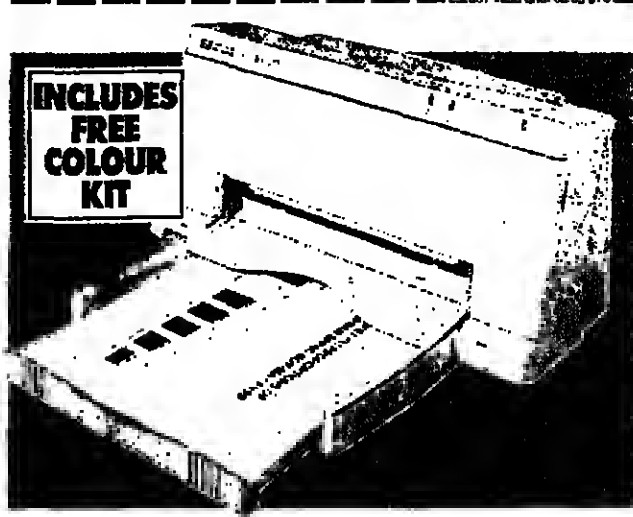
- Up to 4 pages per minute
- 600 x 300 dpi print quality
- 100 page sheet feeder

Includes Lexmark Workshop CD
Model 1020
AS £179.99 sale £159.99

VOUCHER
£139.99

SAVE
£40

© 2000 Lexmark International, Inc. All rights reserved. Price valid while supplies last. See store for details.

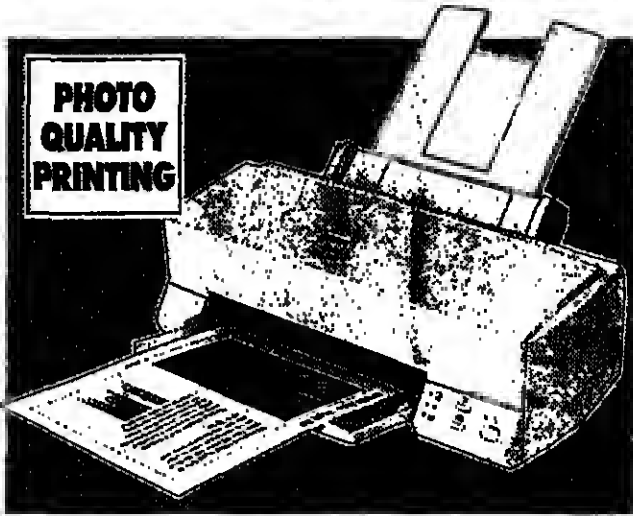


HEWLETT PACKARD
COLOUR INKJET PRINTER

- Up to 3 pages per minute
- 600 x 300 dpi print quality
- 50 page sheet feeder
- Exclusive software bundle:
Print Shop Deluxe & Myst
Model DJ400

£159.99

**EXCLUSIVE
TO
COMET**



EPSON STYLUS COLOUR INKJET PRINTER

- Up to 4 pages per minute colour
- 1440 dpi resolution
- IBM and Mac compatible
- Built-in "on-line" help facility

Model 600

£289.99 NEW



CANON
COLOUR INKJET PRINTER

- Up to 4.5 pages per minute
- 720 x 360 dpi print quality
- 100 page sheet feeder
- Dual cartridge printing

Model BJC 4100

INCLUDES
PRESS WORKS
2.0 SOFTWARE

\$189.99

EXCLUSIVE
NO CLAIM MONEY BACK
5-YEAR WARRANTY

A single premium payment guarantees five years comprehensive cover against product breakdown. If, after five years, you've made no claim, you can get all your warranty money back in full. Ask in store for full details.

FREE MULTIMEDIA HELPLINE

When you buy any PC or printer at Comet you'll be able to call our Helpline for just the charge of a normal call. Produced in association with Softbank-PSC, it'll give you all the advice you need for up to five years when you buy a 5-year extended warranty. Even subsequent peripheral or printer purchases will be covered.

LATEST UPDATED PRICES

Check the Comet Price Index, it's your guide to the lowest prices around on over 150 of our best selling products. Available on **Teletext Ch.4 P.425**

news

Labour tells parents: read to your children

Judith Judd
Education Editor

Parents should read with their children for 20 minutes each night, Labour said yesterday.

David Blunkett, Labour's education spokesman, said that a story before bedtime could lead to educational success as well as being a special moment for parents and children.

A Labour government would, he said, include the advice in national guidance on homework for all 7- to 11-year-olds as part of a reading revolution.

And it would encourage parents of children as young as eight months to share books and nursery rhymes with them.

The proposal for national guidance on parental reading is put forward in a report from the party's literacy task force, published yesterday.

Labour said that it will accept the report's recommendations

that 80 per cent of all 11-year-olds should reach the expected standard in reading by 2001 and that all should do so after 10 years. Just 400 out of 20,000 primary schools reach the target at present.

"Very often the best homework is simply for the parent or someone else from home spending 20 minutes each day reading with the child or hearing him or her read," Mr Blunkett said.

He quoted the Bookstart project in Birmingham in which health visitors give a book-pack to mothers at the child's eight-month hearing test. The pack includes a book, poster, rhyme card, library card and information on local libraries.

Head teachers' leaders at the conference to launch the report in London were sceptical both about the literacy targets and the costings laid down in the report.

Professor Michael Barber, head of the Literacy Task Force

which produced the report, says the retraining of all primary teachers to teach reading using methods proved to be successful would cost £20m for each of four years and could be redirected from existing budgets.

There would be national recommendations to teachers on how to teach reading.

David Hart, general secretary of the National Association of Head Teachers, welcomed the report as "inspirational" but added: "We think it's wholly unrealistic to believe that existing budgets can take the strain. Labour will have to put more money into training."

Mr Hart queried whether the target of 100 per cent of 11-year-olds reaching the expected level in reading was achievable. "I don't think even 95 per cent is achievable, though 80 per cent by 2001 is tough but achievable."

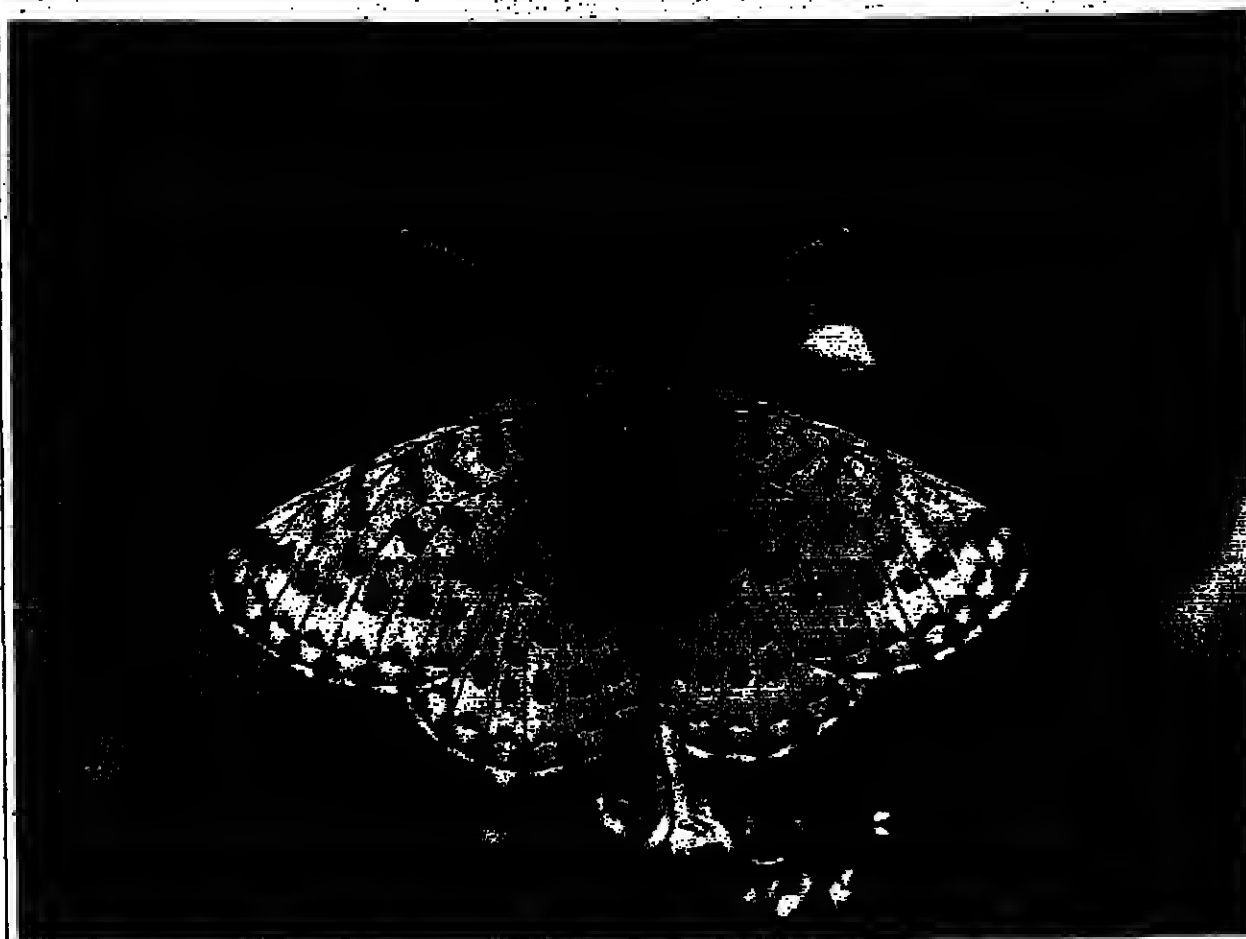
However, the report points to literacy programmes in the

United States and in Australia which have succeeded with nearly all children. From 1999 there will be on-the-spot checks by inspectors to ensure that the scheme is working properly.

The report foreshadows a much slimmer national curriculum with a new emphasis on the basics including a literacy hour every day in all primary schools. It suggests that teachers should have greater discretion in other subjects when the curriculum is revised in 2000.

Mr Blunkett said: "It is a disgrace that over the last 18 years the Tories have failed to put in place a strategic plan to raise literacy standards."

Gillian Shephard, the Secretary of State for Education, pointed to government initiatives on teacher training and literacy. She said: "The work is all being done through Conservative policies which Labour has opposed."



Sun-lover: The pearl-bordered fritillary, which breeds in woodland clearings and on rough grassy slopes where violets are plentiful, is in drastic decline and, without support, could disappear from most regions within 25 years

ICI becomes the butterflies' friend

Nicholas Schoon
Environment Correspondent

The chemicals giant ICI yesterday became the first corporate sponsor of two highly endangered British butterfly species under an initiative to rescue 116 threatened native plant and animal species.

The scheme was launched last year as a joint effort between the Government and the country's leading wildlife charities. Signing up commercial "champions" who will provide money to fund rescue plans for individual species is taking longer than had been hoped.

ICI has chosen to back the large blue butterfly and the pearl-bordered fritillary with £110,000 spread over two years. The money will pay for work in the field by Butterfly Conservation, a charity.

The large blue is a pretty butterfly with a savage life-cycle. Its caterpillars mimic the grubs of one species of red ant, which is fooled into carrying the butterfly larvae into its nest.

Once inside the caterpillar eats all the soft, small ant grubs, using large jaws which burst them open. Then, having wiped

out most or all of the nest's inhabitants, it turns into a chrysalis. The adult butterfly only lives for a few days, during which the females mate and lay their eggs on thyme plants.

Never common in Britain, the large blue declined rapidly during this century and by 1979 had become extinct here. This was because populations of the red ant on which it depends on were also declining, due to changes in farming practices.

But conservationists now know how to manage land in a way which boosts the ant's population. Like the sun-loving pearl-bordered fritillary, it needs plenty of warmth and it finds this on heavily grazed, south-facing slopes. The large blue has now been successfully reintroduced at a few secret locations in the West Country, and the rescue plan aims to build up its population and the number of colonies.

The Independent and the World Wide Fund for Nature (WWF) have published an illustrated paperback on Britain's endangered wildlife and the 116 rescue plans. *Going, Going, Gone* is available from PO Box 550, Markyate, Herts AL3 8QP for

£6.50, of which £1 goes to WWF



Blood thirsty: The large blue, whose delicate appearance belies its larval stage, has been reintroduced to Britain

NOTICE TO MEMBERS

Results of Voting on Conversion Resolutions

The following are the results of the voting on the Investing Members' Special Resolution and the Borrowing Members' Resolution at the Special General Meeting of the Society held on 24th February 1997 at the Sheffield Arena, as reported by the Scrutineers, KPMG.

Investing Members' Special Resolution to transfer the whole of the business of Halifax Building Society to Halifax plc in accordance with the terms of the Transfer Agreement dated 20th December 1996 (and which took effect on 1st January 1997).

1. Total number of eligible votes cast 5,260,694
2. In favour of the Special Resolution 5,152,776
3. Against the Special Resolution 107,916
4. 97.9% of the eligible votes cast were cast in favour of the Special Resolution

- b) 1. Total number of investing members entitled to vote on the Special Resolution 6,955,274
2. 74.1% of all the investing members who were entitled to vote voted for the Special Resolution

Borrowing Members' Resolution to transfer the whole of the business of Halifax Building Society to Halifax plc in accordance with the terms of the Transfer Agreement dated 20th December 1996 (and which took effect on 1st January 1997).

- a) 1. Total number of eligible votes cast 1,561,586
2. In favour of the Borrowing Members' Resolution 1,517,083
3. Against the Borrowing Members' Resolution 44,503
4. 97.2% of the eligible votes cast were cast in favour of the Borrowing Members' Resolution

- b) 1. Total number of borrowing members entitled to vote on the Borrowing Members' Resolution 2,294,358
2. 66.1% of all the borrowing members who were entitled to vote voted for the Borrowing Members' Resolution

Halifax Building Society has now applied to the Building Societies Commission for confirmation of the transfer of its business to Halifax plc.

HALIFAX

HALIFAX BUILDING SOCIETY, TRINITY ROAD, HALIFAX, WEST YORKSHIRE HX1 2BQ.

*Why travel
six thousand miles
to have sex with children
when you can do it
in Britain?*

Child prostitution doesn't just happen abroad. Every day in Britain, children as young as ten are being forced to sell themselves for sex. Our streetwork and refuge programme is dedicated to helping them escape from this nightmare. But we desperately need your help. Please make a donation and help us take them off the street. After all, wouldn't you rather they got your money than somebody else's? Call 0345 22 45 67.

Charity Reg No 221124



The Children's Society

175, Abchurch Lane, London EC4N 3DF

هنا من أصدق

Yeltsin criticised over penal conditions

Phil Reeves
Moscow

As he attempts another comeback after eight months of illness, Boris Yeltsin has made clear he is against any changes to the 1993 Russian constitution, the document which enshrines his spectacular powers of office.

He believes his country is not ready for such momentous moves as it muddles its way painfully and perilously towards a free-market system, and democracy. So why, his critics ask, does he flout it?

Article 22 states that "no one may be subject to torture, violence, or any other harsh or humiliating treatment or punishment." A fine enough principle, but one which many of the multitude - more than one million people - languishing in Russia's prisons would regard as hot air.

After a two-month investigation, a presidential human rights commission has produced a report which cites a litany of appalling malpractices in the penal system, including beatings and torture.

Among the victims are the occupants of filthy and overcrowded remand prisons, who can - by a decree passed by Mr Yeltsin in 1994 - be held for 30 days without charge. Some of those charged then await trial for up to five years, says the commission, an advisory body.

The claims will add to mounting concern over Russia's failure to comply with its commitments to the Council of Europe, which it joined exactly a year ago. To mark the anniversary, Human Rights Watch/Helsinki will today unveil a review of Russia's performance as a new council member which states that Russia "has made little progress in fulfilling its new obligations and... in some cases flagrantly violated" them.

It cites a long list of violations including attacks on citizens in Chechnya, executions which continued until last August, and a general failure to address "long-standing abuses, such as appalling and even 'torturous' prison conditions, and police brutality."

"Responsibility for human rights violations lies squarely on the shoulders of the government of the Russian Federation," says the Helsinki group, although it expresses "concern" that the Council of Europe has not always used "maximum influence" to secure human rights improvements in Russia, and offered Moscow membership without extracting pledges that it would clean up its act.

If its findings on the Russian penal system are a guide, the presidential human rights commission would agree. It says inmates are regularly beaten, tortured, and have confessions forced out of them by guards.

The commission underscored its findings with a statement yesterday saying "neither domestic nor international standards" of holding people under investigation and conviction are complied with. This also called on the Russian lower house of parliament, the Duma, to amnesty pension-age convicts, women with children, and minors.

Russian has by far the highest percentage of detainees in Europe, with 694 people in jail for every 100,000 citizens - nearly seven times the rate in Britain (99). By contrast, the Ukraine has 392, Spain 122 and Germany 81.

Whether this groundswell of concern will produce any results is unclear. Russia, angered by Nato expansion, is in no mood to be lectured by the West, over its failure to comply with the Council of Europe commitments, whether it be through abuses in prisons or elsewhere.



In reflective mood: Vuk Draskovic, one of the troika of Serb opposition leaders, taking a break during their visit to Britain. Photograph: Brian Harris

Serb opposition in talks with Rifkind

Steve Crawshaw

They came, they met the minister, and they went home again. With that, the troika of Serbian opposition leaders could feel more or less satisfied.

Malcolm Rifkind, the Foreign Secretary, gave little concrete support during the Serbs' two-day trip to the United Kingdom. But the very fact that the British government had invited the three to London represented progress.

Until a few months ago, Britain was still hilariously insisting that Slobodan Milosevic, the Serbian president, was "a partner for peace" in the Balkans. Now, that has changed. Already, Serbian opposition leaders have been invited to meet the foreign ministers of Italy, France and Germany in recent weeks. Now, it is Britain's turn. As Mr Rifkind said: "The crucial requirement is that Serbia should be able to enjoy the

same political freedoms, the same human rights, and the same liberty as the rest of Europe is now able to enjoy."

The troika remains a motley crowd - Vuk Draskovic, with his prophet's beard and declared support for restoring the monarchy; Zoran Djindjic, now suave Westerner despite his past declarations of solidarity with Radovan Karadzic and the Bosnian Serbs; and the diminutive Vesna Pesic, whose opposition to nationalism has remained unwavering.

They and their coalition Zajedno (Together) represent the different aspects of the opposition to Mr Milosevic today.

As with other broad-based opposition movements elsewhere in Eastern Europe in recent years, differences between the three may prove to be less important, for the moment, at least, than a shared understanding of the need to move Serbia out of the authoritarian rut in which it is now stuck.

Mr Djindjic - newly-appointed mayor of Belgrade, following the regime's grudging acceptance of the opposition's electoral victory last November - is confident that Mr Milosevic will be out of office "by the end of the year". In Mr Djindjic's view, the street protests have now taken on a life of their own. "I'm sure we'll see more demonstrations this summer - not organised by ourselves."

Ms Pesic argued that external pressure, followed by external aid when the democrats are in a stronger position, are crucial. She was critical of the recent cosy relationship between leading British players - including former Foreign Secretary Douglas Hurd, who has played an advisory business role - and the Serbian government. "Milosevic can't do things in secret with Mr Hurd or anybody else - this must be discussed," she said. Mr Milosevic was "working his own business - interests - and we have to stop that."

Mr Djindjic said: "It's extremely important for us that other governments see Milosevic as an obstacle to democratisation... We must convince governments that free media are an essential precondition for the electoral process."

Many in the opposition fear that the financial pressure which Mr Milosevic is still able to exert on the city council in Belgrade and other cities will mean that the opposition's power will remain something of a mirage, even when election victories have been recognised. But Ms Pesic argued that even the half-victories have been important, in forcing Mr Milosevic on to the defensive.

A meeting was requested with Robin Cook, the shadow Foreign Secretary. But he had had "a very bad week", and did not have time. There was a meeting with Clara Short, the shadow overseas development minister, instead.

Gaullists close ranks over detective

John Lichfield
Paris

The head of detectives in the Paris police is no longer a detective. The highest French appeal court yesterday suspended Olivier Foll for six months for refusing to obey a judge's request to search the home of the city's mayor.

But the French interior minister - who belongs to the same party as the mayor, and the police chief and President Jacques Chirac - yesterday insisted that Mr Foll would continue as head of detectives, even if he was no longer a detective.

The tangled affair marks a further stage in the politically embarrassing investigation of the role of the Mayor of Paris, Jean Tiberi, in the alleged embezzlement of funds from the city's welfare housing budget. Mr Tiberi has long been a close associate of President Chirac, who was his predecessor as mayor of Paris.

Last June an investigating magistrate, Eric Halphen, asked the Paris "police judiciaire" - the detective branch - to assist him in the search of the mayor's home. Mr Foll, a member of President Chirac's neo-Gaullist RPR party, refused. The magistrate took legal action. A lower court agreed that Mr Foll had failed in his duties as a police officer. Mr Foll appealed but his case was rejected yesterday by the appeal court.

The Socialist Party, the association of magistrates and the federation of police unions all called yesterday for Mr Foll's dismissal. The interior minister, Jean-Louis Debré, also a member of the RPR, said he saw no reason why Mr Foll should not stay in his job during his suspension.

The affair is politically embarrassing for President Chirac one month after he launched a committee of inquiry into political interference in the justice system. Mr Tiberi was his close associate, and later his deputy, at the Paris town hall for many years. The mayor has been linked with the investigation of alleged "false billing" in the city's budget for subsidised housing.

Netanyahu accused over Jerusalem homes pledge

Jerusalem - A promise by Benjamin Netanyahu, the Israeli Prime Minister, that the building of a new Jewish settlement at Har Homa in Jerusalem will be matched by the construction of 3,015 houses for Palestinians in the city was denounced by human rights groups yesterday as highly misleading, if not a direct lie.

"It is disinformation," said Danny Seidemann, a civil rights lawyer contesting the Har Homa project. "Four times the government has promised more building permits for Palestinians in Jerusalem as a quid pro quo for the building of a settlement."

"In 1980, some 18,000 permits were pledged, but 17 years later we have yet to see a single one." In a bid to placate critics of his plan to build 6,500 apartments for Jews at Har Homa between Jerusalem and Bethlehem on land captured by Israel in 1967, Mr Netanyahu said the government had allocated \$4.5m (£2.5m) for housing for Palestinians in 11 East Jerusalem neighborhoods over the next three years.

Since 1967, Palestinians in the city have been able to build only 9,000 apartments, compared to 64,000 built for Jews - 39,000 of which are on expropriated land.

In reality Mr Netanyahu, wishing to appear even-handed to an international audience, has recycled an existing plan to build sewers, water pipes and roads in Palestinian areas in East Jerusalem.

Once this is done, Palestinians will be able to apply for the

Human rights groups say PM is guilty of disinformation, writes Patrick Cockburn

3,015 building permits to build houses privately.

"Contrary to the impression left by most of the media," wrote the daily *Haaretz* yesterday, "there has been no decision to directly build residential units for Arabs, but only to invest in infrastructure."

Israeli policy is to maintain a ratio of 72 per cent Jews and 28 per cent Palestinians in the 600,000 population of Jerusalem.

Palestinians allege that this has been done through restricting their access to housing and by gerrymandering the municipal boundaries of the city to exclude Palestinian towns and villages.



Yasser Arafat: Wants to discourage confrontation

In the metropolitan area of Jerusalem as a whole, the Palestinian population is about 55 per cent of the total.

Diplomats in Jerusalem say they are also concerned that the Israeli Interior Ministry is casting doubts on the validity of the Jerusalem residency permits of 130,000 out of 170,000 Palestinians in the city.

Yasser Arafat, the Palestinian leader, reacted cautiously yesterday to the Har Homa decision, probably because he wants to discourage any confrontation as he prepares to go to Washington to see President Clinton next week.

Visiting the West Bank town of Nablus yesterday, he said:

"This is a big breaching to what had been agreed upon. It is against the United Nations resolutions and the American letter of guarantee"

"This is a big breaching to what had been agreed upon and it is against the United Nations resolutions and also against the American letter of guarantee."

Asked if big protests were planned, Salah al-Tamara, a member of the Palestinian Council co-ordinating protests against Har Homa, said: "We don't want to consume the energies of our people all at once. Things will accumulate. Arafat always responds to the mood of the people."

He said the settlement would cut off Palestinians in Jerusalem from those outside, and cut the West Bank in two.

Abroad, Israel has been criticised throughout the world, but probably no more strongly than Mr Netanyahu expected.

At the same time there is little doubt that he would have preferred not to have started, under pressure from the right, such a high-profile project which focuses international attention on Jerusalem.

In return for Mr Arafat limiting his reaction in rhetoric, Mr Netanyahu is reported to have agreed to a more substantial Israeli redeployment on the West Bank next month under the Hebron agreement than had originally been planned.

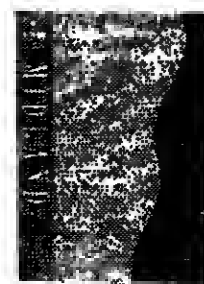
There are signs that Mr Arafat does not want a confrontation. At the village of Hama, to the north of Jerusalem, where a Palestinian man was shot dead by an Israeli undercover squad on Tuesday, the Palestinian Preventive Security Service co-operated with Israeli forces in imposing a curfew.



Meet Ray.

Ray's found a stress-free way to get 7.25% on his savings each year.

Ray likes to take it easy. Whether he's fishing or planning his savings, Ray doesn't want to worry about anything. That's why he asked for Midland's brochure on HDB (High Interest Deposit Bond). It's as safe as any savings account but it lets him earn better interest - a 7.25% return on his own three year investment. He could have chosen a six month plan but Ray, true to form, isn't in that much of a hurry.



He called 0800 100 100 and asked for an information pack.

Midland
The Listening Bank

For further details please complete the coupon and send to Midland Bank plc, HDB, FREEPOST BS4335, Bristol, BS1 3YX.

Title Initials Surname
Address
Town County
Postcode Telephone (Home) FAX 710

Are you a Midland customer? ☐ Yes ☐ No. If so, please fill in your sort code 407 /
Are you happy to receive information from Midland in the future? ☐ Yes ☐ No

ON WEDNESDAY IT WAS THEM.			
Draw date: 26/2/97. The winning numbers: 2, 34, 36, 38, 44, 46. Bonus number: 40.			
Total Sales: £28,571,270. Prize Fund: £15,217,169 (49% of ticket sales plus £2,300,098 Superdraw fundings).			
CATEGORY	NO. OF WINNERS	AMOUNT FOR EACH WINNER	TOTAL EACH TIER
Match 6 Jackpot	2	£3,500,000	£7,000,000
Match 5 plus bonus ball	7	£203,981	£1,427,957
Match 5	341	£3,016	£1,029,056
Match 4	13,171	£102	£1,355,442
Match 3	393,418	£10	£3,934,180
TOTALS	412,939		£15,209,335

© Camelot Group plc. Prizes must be 16 or over.

Drawings for 16 or over. Prizes must be 16 or over.

THE NATIONAL LOTTERY

In the event of any discrepancy in the above, the data contained in Camelot's central computer system shall prevail.

هكذا من الأصل

international

US sets Mexico and Colombia a tough drugs test

Phil Davison
Latin America Correspondent

Like nail-biting students awaiting their grades, the governments of Mexico and Colombia are awaiting word from "headmaster" - the United States - this weekend on whether they've passed the test or been bad boys.

President Bill Clinton is due to announce, by tomorrow, whether or not to "certify" the two nations as cooperating against narcotics production and trafficking. At stake are US aid, loans, future investments, tourism potential and, not least, simple national pride.

The certification process, under which the President is required by law to report to Congress on more than 30 drug-producing or transit coun-

tries, has come under increasing criticism this year, not only from the targeted countries but within the US itself.

Mexico calls it "interventionist", Colombia bills it "imperialist". A *New York Times* editorial this week said it should be abolished and that the US should clean up its own backyard by combating drug consumption. Even US anti-drugs czar General Barry McCaffrey has questioned its usefulness.

The general has reason to be confused. His Mexican counterpart, whom he recently praised as exemplary, was jailed last week for his alleged links with a leading drug cartel. US intelligence agents are now extremely concerned as to how much information General Jesus Gutierrez Rebollo may have

passed on to the druglords.

Latin American analysts warn that the certification policy is fanning a new anti-Americanism in the region and could lead to strained relations - particularly between neighbours Mexico and the US - and even to a new anti-American bloc.

Such sentiment could complicate Mr Clinton's plans to create a pan-American free trade zone by the year 2005 - a key reason for his upcoming Latin American tour, including Mexico, in April and May.

Colombian MPs are preparing a Bill that would allow reprisals against US interests if the country is "de-certified" for the second straight year. The Colombian government has flooded the US media with a campaign listing its efforts



Drug haul: US officials stopping a truck this week trying to smuggle marijuana at Monterrey in Mexico. Photograph: AP

against drug trafficking but despite these efforts, cocaine production was said to have gone up by 30 per cent last year, according to US officials.

Last year, Mr Clinton "de-certified" Afghanistan, Burma,

Nigeria, Iran, Syria and Colombia, where President Ernesto Samper narrowly escaped impeachment on charges he took election campaign funds from the Cali cocaine cartel. This year, for the first time, Mexico

could be added to the list, though with a "national interests waiver" that would make the move largely symbolic, US officials say. Mexico would be reprimanded but with the waiver that it would not be in the US

national interests to impose economic sanctions.

Jamaica and Belize could also be downgraded this year after an upsurge in the transit of marijuana and cocaine.

In addition to the arrest of its anti-drugs chief, Mexico has been shaken this month by allegations that the governors of two states, as well as former President Carlos Salinas's father, were linked to drug traffickers. All deny the charges.

Last year's "de-certification" of Colombia delayed US aid and made it difficult for the country to attract new loans.

This year, Mr Clinton may recommend added sanctions, such as refusing landing rights to Colombian aircraft, rescinding preferential tariffs on Colombian coffee and submitting Colombian citizens to onerous searches at US airports. Colombia, of course, would be likely to reciprocate.

Chile gets the cold shoulder in Nafta bid

Rupert Cornwell
Washington

Chile's President Eduardo Frei yesterday took his case directly to the US Congress in a new but apparently unsuccessful attempt to break the logjam over his country's bid to become the fourth member of Nafta, the North American Free Trade Agreement that links the United States, Canada and Mexico.

Addressing a joint session of the Senate and House of Representatives, Mr Frei urged his audience to "leave fears and distrust behind," and remove the barriers to free trade throughout the Americas. But reaction to his 30-minute speech was largely sceptical, leaving little doubt that opposition to expanded free trade in the Western hemisphere is, if anything, growing in Washington.

Though the Clinton Administration backs Chile, its admission is being stymied by opposition from both left and right. Led by the labour unions, critics insist that any enlargement be accompanied by tough environmental and labour rights rules. They also point to studies purporting to prove that Mexico's presence in Nafta has cost the US 600,000 jobs since 1994, the year Mr Clinton first invited Chile to join.

Most Republicans and American businessmen however argue precisely the opposite - that negotiation of environmental and labour safeguards will only slow up the process, allowing other countries to steal a march in one of the most attractive Latin American markets.

Hunt for Nazi loot in vaults fizzles out

Louise Jury
Zurich

Initial investigations by Swiss banks have shown Holocaust survivors and their families may gain less than they hoped from a trawl of dormant accounts which Jewish organisations believe contain great wealth.

As the secretive banking community made an unparalleled attempt at openness this week, it emerged that a new round of inquiries has found only three families affected by the Holocaust with a rightful claim.

Hanspeter Hand, the Swiss banking ombudsman, said more than 800 cases have been examined in the last year, producing 11 successful claims on accounts which had been untouched for at least 10 years.

But although the most recent investigations by banks found 40m Swiss francs (£17m) remain in more than 770 accounts dating from before 1945, only Sfr11,000 (£4,700) belonged to the three Holocaust families.

Jewish organisations have reported many cases where families have been refused ownership of assets, because the Holocaust wiped out records of account numbers, or because they have no death certificates for relatives who died in concentration camps.

The dispute last year prompted the banks to establish an "independent committee of eminent persons", chaired by Dr Paul Volcker, formerly head of America's Federal Reserve.

Searches in 1962 concentrated on names which "sounded" Jewish, according to a rabbi employed by the banks. They discovered Sfr6m. But only about 5 per cent of banks responded to appeals for information and most of the 7,000 claimants at the time were unsuccessful.

This week, Dr Georg Kray, president of the Swiss Bankers' Association, used its annual press conference to emphasise that everything possible was now being done. "It is no longer possible to establish the identity of the legal owner, but there is a possibility that he may have been a Shoah victim, the assets will be transferred to an appropriate charitable organisation," he said.

Three international firms of accountants have been employed in the search. At least one bank says it has even

interviewed former employers for clues as to what could have happened to accounts.

Dr Kray said Swiss banks had failed to appreciate the emotions surrounding the accounts. "Maybe ... 100 francs in the eyes of a booming community was not a big amount [but] it was maybe a very big amount for the ones that claimed it."

Privately, some bankers say they are now waiting for the Volcker committee to explain what they have consistently argued - that Switzerland is not hiding millions of francs. "It is not worth us repeating that, because [soon] we will have the information through Volcker," one senior banker said.

However, one of the world's most secretive banking systems cannot easily shake off the

“A hundred francs was a big amount, perhaps, for the ones that claimed it”

suspicion that it has been not always honest. The sacking of Christoph Meili, a right watchdog who rescued Holocaust-era documents from being shredded by the United Bank of Switzerland (UBS), cast doubt on the banks' vaunted "transparency".

There have been claims that some banks have simply absorbed the smaller funds. And some believe many families will never trace their funds because they were deposited in the names of lawyers or friends.

On the separate matter of the gold which the Reichsbank traded through the Swiss National Bank, Jean-Pierre Roth, vice chairman of SNB's governing board, said it has no German gold in its vaults. It was used during the war to buy raw materials for Switzerland, he said.

The Swiss government and agencies led by the World Jewish Congress this week reached agreement on setting up a foundation for Holocaust victims and their heirs, opened with a Sfr100m donation from the country's biggest bank.

THE BIG NETWORK NOW

WORKS ACROSS AMERICA.

The mobile phone is now truly mobile. Because Cellnet now covers all 50 US States and Canada. All you need to use the new GlobalRoam[®] service is a US compatible phone which you can buy or

hire. You don't even have to be an existing Cellnet customer (which is lucky because no other UK network offers such a service). However if you are a Cellnet digital customer you keep your mobile number

and calls are charged to your monthly bill. It couldn't be simpler. Have a nice day.



<http://www.cellnet.co.uk> 0800 42 55 42

GLOBALROAM[®] IS OFFERED IN CONJUNCTION WITH GERMAN NETWORK OPERATOR T-MOBIL AND US OPERATOR GTE TELECOM SECURITY CELLULAR RADIO LTD

هاتوا من الأصل

Chile gets the cold shoulder in Nafta bid

Rupert Cornwell
Washington

Chile's President Eduardo Frei recently took his case to the US Congress in an attempt to break the logjam in the fourth round of Nafta negotiations. But the North American Free Trade Agreement that links the United States, Canada and Mexico has been a cold shoulder to the Chilean president.

Addressing a joint session of the Senate and House of Representatives, Mr Frei urged the audience to "leave fears and mistrust behind" and remove barriers to free trade between the Americas. But some of his 30-minute speech was largely ignored, leaving the president looking somewhat lost. He pointed out that opposition to the pact in the US Senate is growing in Washington.

Though the Clinton Administration backs Chile, its mission is being hampered by opposition from both left and right. Led by the labour union critics, it is being opposed by the right. The union critics insist that any agreement be accompanied by an environmental and labour agreement. They also point to the pact's purporting to give Mexico's presence in Nafta over the US 600,000 jobs in 1994, the year Mr Clinton invited Chile to join.

Most Republicans and American businessmen however are precisely the opposite - that is, in favour of the pact. The pact is seen as a way of opening up the market to the most attractive Latin American markets.

Mr Frei said that he had been told to appreciate the fact that the US was not a big market for Chile. He said that he was not a big market for Chile. He said that he was not a big market for Chile. He said that he was not a big market for Chile.

A hundred frames was a big amount, perhaps, for the ones that claimed it.

Mandela offers hope of end to Zaire chaos

Mary Braid
Johannesburg

Only a week after almost torpedoing negotiations aimed at ending the war in Zaire, President Nelson Mandela was yesterday at the centre of the stage in talks which have recovered enough to offer the first glimmer of hope for peace in the Great Lakes.

On Wednesday, Mr Mandela, who caused diplomatic embarrassment by prematurely revealing that the warring sides were poised for their first face-to-face meeting, became the first head of state to make a public appearance with Laurent Desiré Kabila, the leader of the Zairean rebels.

In only five months, Mr Kabila has captured one-eighth of Zaire. His campaign threatens not only to smash his own giant country into pieces but to spill over the borders of Zaire's nine neighbours, resulting in regional mayhem.

Yesterday it was the turn of Honore Ngbanda, nephew, envoy and chief security adviser to the ailing Zairean dictator,

President Mobutu Sese Seko, to meet the South African President and pose with him for the cameras afterwards.

Mr Mandela revealed that the South African government had been in contact with President Mobutu, and that Zaire appreciated that only by negotiating with Mr Kabila could peace be achieved.

Despite Zaire's official line that there will be no negotiations until foreign troops have left its soil, Mr Ngbanda admitted conditions for face-to-face talks were being discussed. So, those involved in the talks are scant with details.

The discussion have taken quite an advanced form, a chattered Mr Mandela said yesterday. "It is absolutely necessary if this process is going to go forward that there should be confidentiality."

The new South African initiative shows how much has changed since the Rwandan-backed rebellion began. At the start, Mr Kabila was dismissed as a puppet of Rwanda. The rebellion achieved what the UN failed to do - broke up the

camp where Rwandan Hutu war criminals were being fed at international expense.

Up until a few weeks ago Western diplomats were still rubbing Mr Kabila. But since then his forces have quashed Zaire's counter-offensive. His joint appearance with Mr Mandela seemed to transform him into a political power player.

International credibility comes in the wake of growing popular support at home. Before war broke out, few Zaireans had heard of Mr Kabila. Now he carries the hopes of a population desperate for an end to the Mobutu dictatorship.

The country's largest opposition party announced last week it was attempting to join forces with the rebels. If Mr Kabila has been reinvented this week, so has Mr Mandela. Since he won South Africa's first democratic elections in 1994 the President has shunned the mantle of a continental superpower. This week Mr Mandela is at the centre of the new initiative.

But everything may not be as it seems. The negotiations may

have an African face, but busy in the background is a team from the US.

As the talks continue, the war in Zaire appears to be escalating. The question is whether either side has more to lose by continuing to fight than by negotiating. The government's mercenary-led counter-offensive has floundered. In the eastern Zairean city of Kinshasa, yesterday, the rebels seemed once again to be walking all over Mr Mobutu's ill-disciplined troops.

The rebels are on a roll. But that does not necessarily make them winners. The tension between the aims of the rebels and their outside backers may be growing. Rwanda and Uganda may not support Mr Kabila much longer now they are rid of the hostile forces once given sanctuary by Zaire.

Mr Kabila, and millions of Zaireans, can only hope his recent high-profile acceptance is a sign that the international community is now as interested in the thwarted aspirations of the Zairean people as it is in political stability and the preservation of national boundaries.



Fate hanging in the balance: A Rwandan refugee child being weighed at the UN camp at Tingi Tingi, in eastern Zaire, which is under threat from Laurent Kabila's advancing rebel army. Photograph: AP

significant shorts

Pakistan PM calls for initiative on Kashmir

Pakistan's new Prime Minister, Nawaz Sharif proposed talks with his Indian counterpart HD Deve Gowda to settle the dispute over the Kashmir region. Mr Sharif said in a letter that their meeting should be preceded by preparatory talks between the foreign ministry secretaries of the two countries before the end of March. India has said it will respond. **Islamabad/Delhi - AP**

British role in Cyprus urged

The UN is counting on British and US support to start talks between the opposed communities in Cyprus this year. The divided island was the main subject of high-level talks in London on Wednesday night between Kofi Annan, the new head of the UN and Malcolm Rifkind, the British Foreign Secretary. Sir David Hannay, the UK Special Representative for Cyprus and Sir Kieran Prendergast, who is replacing Martine Comhaire as the UN's head of political affairs, were also present. **Christopher Boffany**

Vatican to restore facade

The Vatican unveiled a plan to restore the facade of St Peter's Basilica to its original glory in time for the start of the third millennium. Parts of the facade, almost as big as a football field, will be covered by scaffolding during the three-year project to clean the marble and repair damage done by four centuries of decay. The work is due to be completed in September 1999. **Reuters - Vatican City**

Berisha to stand again

In spite of the growing popular dissatisfaction with President Sali Berisha, leaders of his Democratic Party nominated him as their candidate for a second term. The Democrats control 122 seats in the 140-member parliament - which must elect him - assuring President Berisha of victory. **AP - Tirana**

QUALITY U.K. MADE WAX JACKET ONLY £25+p&p

CORD COLLAR
SEAMLESS SHOULDER FOR
ADDED WATER SHED
2 WAY FRONT ZIP
STUDDED STORM FLAP
HAND WARMER POCKETS
DEEP FRONT POCKETS
INTERNAL POCKETS
KNITTED CUFF
& STORM CUFF

We sincerely believe we have found one of the best quality for money jackets made in the U.K., why pay more when you can take advantage of our low introductory price? Great traditional classic wear for the family with value in mind.

Sizes: S (36/38), M (40), L (42), XL (44), XXL (46) unisex
Materials: Cotton waxed outer. Colours: Green, Navy
Item Ref: 11510 Wax Jacket

PRIVILEGE OFFER Buy a Jacket from This Advert Only and order a pair of real 'Hunters' Wellies at the same time for a combined price of £58 Post Free. Remember the two items must be ordered together as a County Set for £58 Post Free. Please abide by the spirit of the offer, refunds can only be made against the original receipt and not on a return basis.

Sizes: S - 12 full sizes. Colours: Green. Item Ref: 12810 Hunters

PHONE NOW ON 01768 899111
OR FAX 01768 899222 TO PLACE CREDIT CARD ORDER

SEND TO DEPT IN281 TOWN & COUNTRY MANNER LTD,
PENRYTH ESTATE, PENRYTH, CUMBRIA CA11 9EQ

We hope to dispatch by return, otherwise you should hear from us within 30 days. If not please contact us. REFUND OR REPLACEMENT IF NOT DELIVERED.

By	Item Ref.	Size	Colour	Alt. Colour	£
Name: _____					pled to £25
Address: _____					pled to £75
					Over £75 FREE
					Total

Post Code: _____ Signed: _____ to Town & Country Manner Ltd
I enclose my cheque/PO for £ _____
or charge my Access/Visa Card No. _____ Exp. Date: _____
If you are not interested in receiving information on approved services
and products from third parties please tick _____

Can Nationwide give you a

HIGHER

return on your savings?

TAKE THE SAVINGS

CHALLENGE

FOR A WINNING RATE!

Call free on **0500 30 20 10** (quoting ref SC07)
Mon - Fri, 8am - 8pm. Weekends, 9am - 6pm.

Nationwide customers already know they're getting a great rate. If you have your savings elsewhere, why not take the Challenge and see if you could join them. We're committed to remaining a building society, which means more of our profits can be ploughed back into benefits for the customer.

This includes offering consistently better rates of interest on your savings, both now and in the long term. We've compared our savings rates with those of the top 30 banks

and building societies.

For starters - take TESSA. Investing £500 on the 26th February 1997 with Nationwide gives you 6.5% compared with 5.7% with the Halifax, 5% with the Woolwich or just 4.2% with the Bristol & West.

Or take branch based instant access accounts.

An investment of £25,000 for 12 months from the 26th February 1997 would give you £675 interest with the Alliance & Leicester and just £337.50 with Northern Rock. However, Nationwide's CashBuilder would earn you a staggering £1,025.

Regardless of the account or amount, you may be pleasantly surprised. And opening an account couldn't be easier. So either call us now or simply pop into your local branch.

Take the Challenge - be a winner.



Find us on the Internet at <http://www.nationwide.co.uk>

SPONSORS OF



All rates quoted are gross p.a. Rates may vary but are correct at time of going to press. The interest rate calculations assume the £25,000 balance and interest rates remain the same over the 12 month period. It is also assumed interest is capitalised 12 months from the account opening date. Interest shown is gross. The interest rates quoted assume all the account terms and conditions have been complied with. Full details of our accounts are available in our branches. Interest rates will usually be deducted from the interest at the appropriate rate unless you are registered to receive interest gross as required by the Inland Revenue. The products being compared are Nationwide's CashBuilder at 6.1% gross p.a. and TESSA; Alliance & Leicester's Instant Access at 5.70% gross p.a.; Bristol & West's TESSA PLUS Deposit; Halifax's TESSA; Northern Rock's Deposit Interest Account at 4.2% gross p.a. and Woolwich's TESSA. Nationwide is a member of the Building Societies Ombudsman Scheme and subscribes to the Code of Banking Practice. Nationwide Building Society, Pymon Way, Swindon SN3 8NF. UK.

international

Can the forgotten king of Australian politics show Blair the route to power?

Robert Miliken
Sydney

He has dropped from political sight faster than a sinking meteor. Yet Paul Keating – for whom Sunday will mark the anniversary of the day last year when he led the Australian Labor Party to one of its worst electoral defeats – is something of a role model for Tony Blair.

For the past 13 of his 28 years in politics Mr Keating was the most dominant figure in Australia, the man who revolutionised the country's economy then, as prime minister, set it on the path towards republicanism.

But while Mr Keating still has his fans, Labor's traditional working-class constituents are not among them. In a sea change which might test the confidence of New Labour, they deserted him by the hundreds of thousands at last year's general election, defecting to the conservative Liberal-National coalition led by John Howard. Mr Howard now rules with one of the highest mandates in Australian history.

Keating fans are still to be found among the young, educated, middle-class professional set who wax lyrical about his visionary "big picture": a new deal for Aborigines, ditching the Queen as head of state and making Australia an important economic player in the Asia-Pacific region. For thousands of jobless people in the old Labor heartland, though, that vision meant little. Yet one of Mr Keating's biggest fans is Mr Blair, who, as he prepares to lead New Labour into the British general election, has been studying closely the Australian model of how an old-fashioned social democratic party can adapt to the realities of a modern market economy, with its demands for small government and economic growth, while maintaining the fundamental tenets of a welfare state.

The two leaders met in 1995 at the resort of Hayman Island off the Queensland coast as guests of Rupert Murdoch, who had invited them to the worldwide management conference of his media company, News Corporation. Mr Blair was a keynote speaker.

He and Mr Keating spent several hours on the island discussing public policy. "Paul liked Tony Blair," says a former Keating staff member. "He gave Blair some free advice, in a friendly way. I think Blair saw Australian Labor's 13 years in power as an example of what could be achieved by capturing the middle ground."

From the moment it came to power in 1983 under Bob Hawke – Mr Keating's predecessor as party leader

6 Blair saw Australian Labor's 13 years in power as an example of what could be achieved by capturing the middle ground

– Labor set about holding the middle ground by re-writing the rules of Australia's protected and inefficient economy. It floated the Australian dollar, deregulated financial markets and tore down tariffs. At the same time, it set about reforming the labour market by cutting the number of unions and introducing direct wage bargaining.

All this was designed to encourage Australian business to make more money and export more goods. A key element in the equation was an accord between the Labor government and the unions, in which unions agreed to restrain wage demands in return for lower taxes, lower inflation and, therefore, lower public spending.

To help target such spending at those really in need – the old, poor, sick and unemployed – Labor attacked so-called "middle-class welfare" by introducing means tests across a range of social security benefits. And it in-

troduced universal health care through Medicare, a public insurance system.

In many respects, the reforms were straight out of Margaret Thatcher's copybook. But Ric Simes, Mr Keating's former senior economic adviser, now chief economist with Rothschild Australia, believes they differed from Thatcherism, and from similar hard-line changes introduced by the former New Zealand Labour government, in one significant respect.

"Thatcher and New Zealand Labour had a model, and pursued it with a religious zeal to the oth degree," he says. "Australian Labor achieved its changes in a less confrontational way. It kept the labour movement engaged in dialogue about change. And it increased the real value of social security benefits to those in need."

Mr Keating's dialogue, though, sometimes seemed to be more sympathetic towards business leaders, particularly those whom he admired for taking risks by chasing bigger markets beyond Australia. He admired Rupert Murdoch for that reason and, as long as Labor continued to win elections, Mr Murdoch admired Labor. Australians gave Labor an unprecedented five successive election victories between 1983 and 1996.

By then, the magic had begun to fade. Mr Keating did one deal too many with Mr Murdoch when he offered him the Sydney Showgrounds – public land since colonial times – as the site for a 20th Century Fox film studio.

To many, the controversial deal smacked of how Labor, in its pursuit of the "big picture", had lost touch with people in the party's grassroots communities, many of whom felt bewildered and left behind by the pace of economic change and the insecurities of work in the Nineties. Such a perception contributed greatly to last year's electoral rout.

Coming to terms with being an ordinary citizen has not been easy for 53-year-old Mr Keating, and the shock still tells on him. Since leaving politics he has given only three interviews, two to Indonesian newspapers. Yet, when he does speak, he has lost none of his



Common touch: Former premier Paul Keating meeting schoolchildren during last year's unsuccessful election campaign

flair and passion for breaking the mould of the old, inward-looking Australia. In a recent speech at the University of New South Wales, where he is a visiting professor in public policy, he called on Australia to stop stilly chafing about becoming a republic. "Those who still argue that our continuing links with the British monarchy do not handicap our international efforts, and those who think we should go on waiting until every last one of us is in total agreement, simply do not understand the stakes we are playing for," he declared.

"An Australian head of state can embody and represent our values and traditions, our experience and contemporary aspirations, our cultural diversity and social complexity in a way that a British monarch, who is also head of state of 15 other member countries of the United Nations, can no longer adequately hope to do."

Australian Labor seems bewildered about which direction it should take now. Its new leader, Kim Beazley, a contemporary of Mr Blair's at Oxford, knows his British counterpart better than did Mr Keating.

Over the next few weeks, Mr Blair could do well to ask his old Oxford friend where it all went wrong.



Rupert Murdoch (left) who impressed Paul Keating with his global ambitions and lent the Labor Party his support until it was ousted by a Liberal-National coalition led by John Howard (right)

New tigers burn bright on world economic stage

Andrew Marshall

The 1980s was the decade of East Asia, as the tiger economies of Korea, Taiwan, Hong Kong and Singapore shot ahead of their neighbours. The 1990s may be the decade of South America, according to a report from American Express Bank.

It says that a group of "near tigers" have emerged over the past 10 years, showing economic success on a par with the first group of developing economies to emerge as economic powerhouses. Indonesia, the Philippines, the Czech Republic, Argentina, Chile and Vietnam are all making progress, it says.

Amex has rated each emerging economy with reference to its macroeconomic stability, human capital, market orientation, export orientation and developmental orientation. Taking a 10-year period, it says the highest improvements have been in Argentina, Bolivia, Chile, Mexico, China, the Philippines and Vietnam. "Latin America has been lag-

ging, but has been improving particularly fast," says the report. Peru and the Dominican Republic are also becoming attractive propositions.

The assessment is based on a decade when financial and economic liberalisation, privatisation and the introduction of free-market reform came to most developing countries and to the former communist states of Europe. International bankers suddenly discovered an interest in investing in countries as diverse as Dominican Republic, Thailand and Morocco. The so-called "emerging markets" have become an investment sector in themselves.

The fact that an international bank finds these countries interesting may not necessarily be good news. Much of the evidence suggests that rapid economic development in East Asia, while reducing poverty sharply, has not always reduced inequality. Equally, growth and democracy have not always been partners. And Taiwan, one of the original tigers, has actually slipped a little in terms of

economic performance since its heyday in the mid 1980s.

Several eastern European countries have actually slipped backwards over the last decade, Amex says. In particular, Ukraine, Romania and Bulgaria are all less appealing investment prospects. However, Poland, the Czech Republic and Hungary have all improved. In the Middle East, Israel and Jordan are both making progress, Amex says. The most depressing news is that Africa is still a slough of despond, economically at least. Only Ghana and Kenya show progress.

In general, however, Amex is

optimistic about the developing world. "The current emerging market enthusiasm, characterised by tight lending spreads, the strong performance of Brady and other debt instruments and long-term bond issues by emerging market issuers reflects this positive outlook," the report says.

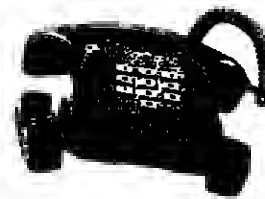
Tight lending spreads means that developing countries can increasingly borrow at more advantageous rates; Brady bonds, named after former US Treasury Secretary Nicholas Brady, were developed to help debtor countries escape from the circle of debt and poverty.

Nationwide challenged you to compare their savings rates with the top 30 banks and building societies. Why not with Direct Line?

	£500-£4,999	£5,000-£9,999	£10,000-£24,999	£25,000-£49,999	£50,000-£99,999
Direct Line Instant Access Account	4-50%	4-75%	5-50%	5-65%	5-75%
Nationwide Cash Builder Instant Access Account	3-00%	3-30%	3-70%	4-10%	4-40%

All rates are gross* and correct at 12th February 1997.

- Because they know our savings rates are higher, that's why.
- With Direct Line you also get instant access and high returns without locking your money away for up to 90 days.
- You can pool your savings with family or friends for even higher returns.
- The more savings you have the higher our rates get.
- So don't waste your time challenging Nationwide. Call Direct Line.



DIRECT LINE
SAVINGS

0181 667 1121

0161 833 1121

0141 221 1121

LONDON

MANCHESTER

GLASGOW

CALL ANYTIME 8am to 8pm Monday to Friday and 9am to 5pm Saturday. Please quote ref. IND50
http://www.directline.co.uk

Savings are provided by Direct Line Financial Services Limited, 250 St. Vincent Street, Glasgow, G2 5SA, which is a member of the Deposit Protection Scheme established under the Banking Act 1987 (as amended). Payments under the scheme are limited to 90% of a depositor's total deposits subject to a maximum payment to any one depositor of £18,000 (or £33,000 if greater). Further details of the Scheme are available on request. *The gross rate is the rate paid without the deduction of income tax. All rates shown are subject to variation and are based on annual payment of interest. For your added security telephone calls may be recorded and the recording kept secure. We may also monitor telephone calls with the aim of improving our service to you. Direct Line and the red telephone on wheels are the trademarks of Direct Line Insurance plc and used with its permission.

Ready to pounce

TIGERS:
Singapore
South Korea
Hong Kong
Malaysia
Thailand
China

NEAR-TIGERS
Philippines
Czech Republic
Argentina
Chile
Taiwan
Vietnam
Indonesia

TIGER CUBS
Poland
Colombia
Israel
Jordan
Panama
Portugal
Slovakia
Sri Lanka
Mexico
Uruguay

Source: American Express Bank

Singing all the way home

Freetown (Reuters) — An African American grandmother arrived in Sierra Leone yesterday on a quest for her roots, guided by a song taken to the Americas by an ancestor captured by slavers more than two centuries ago, and passed down the generations.

Hundreds of well-wishers turned out at Lungi International Airport, Freetown, to welcome Mary Moran, 75, from Harris Neck, South Carolina, who is accompanied by 14 sons,

daughters and grandchildren. Mrs Moran traced her family's origins to the south of the former British colony in West Africa via the song – which is in the local Mende language.

Researchers had played the song in numerous villages without anybody recognising it before they stumbled on Baladu Jabati in Senegalese Ngola, who learned the song from her grandmother. The two women are due to sing the song together in the village later today.

BUILDING SOCIETIES ACT 1986

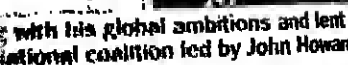
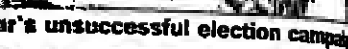
Notice under paragraph 7 of Schedule 17 to the Act

Notice is hereby given that Halifax Building Society (the "Society"), Register No. 245B, whose principal office is at Trinity Road, Halifax, West Yorkshire HX1 2RG, desires to transfer its business to Halifax plc, and that the Society has applied to the Building Societies Commission to confirm the transfer.

Any interested party may make written representations to the Commission and/or give notice of intention to make oral representations to the Commission with respect to the application. Written representations and notices of intention to make oral representations should be received by the Commission at Victory House, 30-34 Kingsway, London WC2B 6ES by 21st March, 1997. Oral representations will be heard by the Commission on 24th April, 1997 at a time and place to be determined by the Commission.

HALIFAX

HALIFAX BUILDING SOCIETY, TRINITY ROAD, HALIFAX, WEST YORKSHIRE HX1 2RG



optimistic about the deal." The current market enthusiasm is usually high, leading to strong performance and other performance metrics and long-term forecasts emerging more slowly, says the positive report.

Leading trading organizations that develop products and services for the financial markets are the Bank of America, Citicorp, and the International Finance Corporation. The Bank of America is the largest, with assets of \$1.2 trillion, and the International Finance Corporation is the second largest, with assets of \$1.1 trillion. The Bank of America is the largest provider of services to the American

ACT 1980
 under paragraph 7 of
 Schedule 17 to the Act
 is hereby given that HMAS Rail
 (the "Register") Register No. 5
 principal office is at Frim Road,
 West Yorkshire, EN1 2EG, and
 is to be known as HMAS Rail,
 and is hereby applied to the Rail
 to confirm the
 to make of
 to the Commission of
 to make
 to the Commission
 to the Commission
 and workers of
 should
 at the Commission at
 24-26 Finsbury Avenue, London WC2A
 1 March 1981, and representing
 the Commission on 21st
 to be determined

THE INDEPENDENT
IT IS. ARE YOU?

Cloning presents an opportunity, not a threat

Why shouldn't we clone human beings? It seems likely that scientists will soon find a way to produce a healthy baby that is an exact genetic replica of an existing person. After the cloning of Dolly the sheep, there are still problems with inserting into a new animal genes which have been damaged by the passage of time, but they are almost certain to be solved. More to the point, once human cloning is possible, someone, somewhere is going to do it, even if those problems have not been solved. This means a big dislocation in our moral universe.

So we had better decide what we think about it. Our contribution to this debate is simple: we are all for it. We must not try to shackle the human yearning to find things out. The worst response now would be to be guided by our emotional reaction against scientists dabbling in "unnatural" experiments. Our starting position is that the research must go on and if, when human cloning becomes possible, it seems that we would learn more by doing it, we see no objection in principle.

Of course, messing about with genes is frightening. But the alternative is to say, "We don't want to know that", and try to stop the onward rush of curiosity, which

could have even more frightening consequences. Take the analogy of splitting the atom. That has made the world a more dangerous place, but would it have been right not to do it? At the time, this was not a choice, because the Allies were in a race against the enemies of democracy and, fortunately for us, the right side won. It might have been better to have split the atom and then chosen not to drop the Bomb, but it could never have been right to tell the scientists to stop.

The choice is not so stark now, but the principle still applies. We could argue that, as it is going to happen anyway, it doesn't matter whether or not human cloning is a good thing. The decision yesterday to allow Diane Blood to be inseminated with her dead husband's sperm in Belgium makes a mockery of the British law on fertility, and the same is likely to happen to the British ban on human cloning.

We could argue that it would be wrong for the Western scientific elite to abdicate its leadership, even assuming it could be persuaded to, because that leadership would then pass to those who are less accountable to rational democratic debate, less answerable to international controls.

But neither argument would



ONE CANADA SQUARE CANARY WHARF LONDON E14 5DL
TELEPHONE 071-233 2000 / 071-345 2000 FAX 071-233 2435 / 071-345 2435

answer the fundamental question: would it be right to clone a person? Because if there were a good argument against cloning, there would be a good case for international controls of the kind being urged yesterday by Dagmar Roth-Behrendt, a German Euro-MP. The cause of international regulation is not yet hopeless: no one would describe the controls on world-wide nuclear proliferation as perfect, but catastrophe has so far been averted.

The possibility of cloning people is in a different category of scientific advance, in that the product would

be a person. This undoubtedly raises several disturbing issues, but these have been clouded by B-movie images of scientists as crazed Dr Frankenstein figures. We need to forget the science-fiction idea of clones as some kind of mass-produced robotic slave, and think instead in terms of identical twins. Identical twins are genetically the same as each other, yet grow into distinct and autonomous individuals. It may seem gross to copy a human being, and it is hard to imagine a woman who would want to bear a clone child. But organ

transplants were quite recently regarded as a form of grave-robbing, whereas now it would be ethically unsound not to carry out a transplant if it were possible to do so.

It may seem unfair to the individuals concerned that they should discover their artificial origin and then live their lives as scientific experiments. But Louise Brown, the first test-tube baby, has lived with her (admittedly less dramatic) knowledge, and it is one of the characteristics of living things that they tend not to resent being alive.

Some of the critics of cloning have called for research to be directed instead into finding a cure for cancer or for Aids. This is a piquant misunderstanding, because it is the technology of cloning and genetic manipulation which offers the most promising avenues for doing precisely these things.

That is why, while we applaud the spirit and foresight of our legislators, we do not agree with the ban on human cloning in the 1990 Human Fertilisation and Embryology Act, which was supported by the genetic advisory committee yesterday. The response to scientific discoveries should not be hasty but more research, more debate, more involvement by scientists themselves in public argument, and more political

controls, including international agreements.

The case against humanity's ability to safeguard its destiny is not made by scientific breakthroughs, but by our collective inability to protect our environment and sustain the ecology of the planet. In the end, cloning and genetic manipulation are more likely to provide the solution to this threat than to add to it.

Er, no, you can't meet the mayor

The trio that heads the Serbian opposition is on tour around Europe. For the last few days, they have been in London. After finally getting Slobodan Milosevic to recognise their victories in local elections, they want help to promote democracy in Serbia. Among others, they have been meeting the elected leaders of Europe's capitals to form city-to-city links. Excellent idea - but just a bit difficult here, because we don't have anyone elected to represent the whole of London. As Zoran Djindjic, the mayor of Belgrade, commented, maybe Britain can learn something from Serbia when it comes to local democracy.

LETTERS TO THE EDITOR

Forgotten victims of legal bias

Sir: Andreas Whittam Smith's article ("Many hands have been tilting the balance of justice", 25 February) gets it right. This is particularly so in relation to the excessive enthusiasm of some prosecutors and members of the judiciary to obtain and uphold convictions because it seems to them right to do so for reasons unconnected with the precise justice of the case before them. Prejudice in the court below with pre-judgement in the Court of Appeal are well-known phenomena. What is often not realised is that this is the tip of the iceberg.

The famous cases where justice has been achieved only through obdurate pressure are cases where there are political overtones, or massive public enthusiasm or doughty believers. The mere ordinary person who does not create an image for a pressure group or has not the unforgiving hardworking support of enthusiasts remains incarcerated.

It is hoped that the new commission will reverse the trend, but some remain cynical. Unfortunately that it starts business on 1 April.

MICHAEL BECKMAN QC
Lincoln's Inn
London WC2

Sir: Andreas Whittam Smith has taken on prisoners and none of us can be complacent. But the openness of disclosure of evidence today does not mean widespread deliberate malpractice hitherto, as if senior practitioners somehow felt compelled to obtain convictions at all costs. That suggests a want of integrity which is not fair, notwithstanding fundamental criticism after miscarriages of justice.

NIGEL PASCOE QC
Chairman, Bar Public Affairs Committee
Winchester

Sir: Mr Whittam Smith has looked in the wrong place for the principal unfairness in English justice. As in many things in life, money talks. He should compare the money behind the police and the prosecution with that paid to the defence.

BARRY CUTLER
Ryde, Isle of Wight

Sir: I am not against the video recording of suspects in police stations (report, 25 February). It is a step in the right direction and prevents police officers intimidating suspects. However, it would be wrong for the Crown to suggest that a suspect's body movements recorded on video are indicative of guilt. A police station is a very frightening place. If a suspect shuffles on his or her chair when an important question is being asked, it has nothing to do with guilt and probably has more to do with the suspect wanting to go to the toilet.

JAMES NICHOL
London N4
(The author is solicitor to the three men released from prison in the Bridgewater case)

Sir: It seems a peculiar feature of the English legal system that a High Court judge (report, 25 February) is prepared to spend 10 days deciding the difference between a penguin and a puffin - which any intelligent 10-year-old could tell him in less than 10 minutes - when dozens of prisoners languish in jail on remand for months, or even years -



innocent until proven guilty - because no one can find time to put them on trial.

SHEILA D HAYDEN
Sutton Coldfield, West Midlands

Tanker lesson was ignored

Sir: I cannot accept the assertion by Viscount Goschen, the Minister for Shipping (letter, 18 February) that the Government's only interest is to ensure that the facts are established and all the lessons learnt. He was referring to the Marine Accident Investigation Branch (MAIB) and its report into the grounding of the *Sea Empress* in February 1996 and the spillage of 72,000 tons of crude oil.

This particular report is not yet published, but another very relevant report by the MAIB has been. This relates to the grounding of the Norwegian tanker *Borga* in the entrance to Milford Haven Waterway on 29 October 1995. The *Borga* was loaded with 112,000 tons of crude oil at the time. Here was a modern, well-maintained tanker, with a pilot on board, in good clear weather, going aground due to minor technical difficulties.

Luck was on Milford Haven's side that morning: the weather remained good and the third salvage attempt was successful. No pollution occurred. Concerned at a possible recurrence of the apparent steering failure during *Borga*'s transit, the Coastguard Agency insisted that the vessel was provided with a escort tug when she sailed for Hamburg after completing discharge.

Yet the long-term lesson was missed entirely, as proved by the grounding of the unescorted *Sea*

Empress some three months later. Fully laden tankers should all be provided with adequately powered tugs, which would take up position before these vessels approach any marine oil terminal in the UK. Tug charges would be a minor cost in comparison to the £126m that the International Oil Pollution Compensation Fund has ready to pay for the *Sea Empress* damage claims, for example.

It is a reflection of how much we ignore the lessons provided by tanker accidents that the *Sea Empress* entered Milford Haven Waterway two hours before low water, unaided.

SIMON D A BROGAN
Stratford, Oxford

Sir: Recent correspondence on pollution from supertankers neglects developments that are already rendering the supertanker obsolete. New sources of crude closer to consuming countries than the Gulf reduce the ton/mile factor and need for economies of scale in transportation. Crude from the vast upcoming reserves of Central Asia cannot be loaded into VLCCs (Very Large Crude Carriers) in the Black Sea because of Bosporus restrictions. Finally, "just in time" crude purchase policies adopted recently by refiners obviate the need for huge slugs of crude that tie up capital or incur pointless interest charges.

Global warming looms large in the considerations of potential contractors of new VLCCs. Current contracts for replacement of these ageing dinosaurs are

dangerously few. Why not just let them die out?

KEVIN SHILLETO
Shipping Consultant
London SW3

Sir: Greenpeace has rightly pointed out that 90 per cent of known oil reserves must stay in the ground if global warming is to be tackled, and that this is not yet United Kingdom policy. Our achievement on attaining greenhouse gas emission targets was driven by the closing of the coal mines and market-led "dash for gas". Therefore Mr Gummer's oft-quoted statements of concern on the greenhouse effect (leading article, 22 February) have not been turned into meaningful policy.

Offshore, our oil policy is one of maximum extraction and our sectors are dirty and ill-regulated, while the implementation of the European Habitats Directive is largely stalled where it conflicts with industry. Mr Gummer may spout "green", but in a party where market forces are all, the real question is whether or not he has had any real influence.

FREDERICK HACK
Friends of the Earth, Bristol

Cola in Cuba

Sir: Susan Stevens (letter, 26 February) asks why it is easy to buy Coca-Cola in Cuba, despite the US trade embargo. The answer is that it is imported from Mexico. The irony is that it must be bought in US dollars. Given that only those Cubans employed in certain sectors, such as tourism, are paid

even part of their salaries in dollars, "easy" means in this context "not theoretically impossible". Dollars are also vital for buying other imports, such as soap.

It is no surprise that many Cubans resort to prostitution or the black market, since a job paid in pesos will never allow luxuries such as Coca-Cola. The "dollar apartheid" is another consequence of being the only people in the world oppressed by two governments at once.

SEBASTIAN BOYD
Manchester

Schools hazard

Sir: The Cancer Research Campaign (CRC) is to educate children as young as nine in the facts about cancer (report, 24 February). Of course smoking is a major cause of lung cancer. However, environmental and occupational cancers are not insignificant.

Exposure to asbestos dusts causes more than 3,000 cancer deaths per year. Many of our schools are riddled with asbestos. In 1994, Shirley Gibson, 36, became the first teacher to die of the asbestos cancer mesothelioma. Many local authorities have not identified the potential asbestos hazard in their schools, let alone done anything about it.

AJP DALTON
National Health and Safety Co-ordinator
Transport and General Workers Union
London SW1

Tube needs cash, not a shake-up

Sir: I am surprised at your leading article (26 February) arguing that privatisation may be the way forward for London Underground.

London Underground is not simply a metropolitan version of the old British Rail, weighed down by outdated practices and unimaginative management. It already has in place the flexible work patterns that the newly privatised rail companies are introducing. For some years now its management has been making a cogent case for the expansion of the Underground.

We must not allow the congested rush-hour conditions - which is all many people experience - to blind us to the fact that the Underground provides Londoners with a solid service from the early morning until well past midnight: the trains are frequent, fast, and usually reliable.

The spectacular structural failings that take place from time to time have nothing to do with management or staff attitudes: they are simply a legacy of years of under-investment.

The way forward is not to get bogged down in the disruptive process of privatisation, but for the next government to ensure that London Underground is able to get sufficient money, from both public and private sources, to enable it to run a modern metro which can play an important role in cutting the congestion on the capital's roads.

JOHN STEWART
Chair, Alarm UK
London E3

Why England is short of water

Sir: F Mary Poole (letter, 26 February) marvels that parched Arizona has abundant water supplies, in contrast to England, "where rainfall is plentiful". Consider a few facts.

England has no high mountains and glaciers, and therefore no large rivers. Compared with Arizona's mighty Colorado, the Thames above Teddington is a ditch. Eastern England may feel damp, but is rather dry: Cambridge has less annual rainfall than any place in Italy. South-east England has the highest population per hectare of catchment area in the world (not counting Gibraltar, Hong Kong, etc.). Much of Arizona has fewer than five persons per square mile.

Most consumers don't pay for water by how much they use, so they have no incentive to economise. No wonder we use "spending money like water" to describe profligacy.

A few years ago I pioneered a department at Cranfield University to teach these and allied facts. It thrives, but clearly the message still needs spreading.

Professor GEORGESOLT
Embsay, Buckinghamshire

Sir: Contrary to the impression gained by F Mary Poole, Arizona and the rest of the US South-west make a very bad example of water management. The Colorado is no longer mighty - not only has it been tamed and dammed, with many adverse ecological effects, but it now disappears into the Mexican sands before even reaching the Pacific. The water table has been lowered throughout the region, and Las Vegas is in grave danger of running out of water.

The conspicuous consumption of water in this area, with no thought either for the environment or future generations, is an excellent example for us of how not to do it.

ALAN P HOWES
Dunblane, Perthshire

Put your money on the asteroid

Sir: "I'm no statistician," writes Charles Wroe (letter, 26 February). Nor, it would seem, a very careful reader of Oliver Morton's excellent and thought-provoking article ("So who cares if the sky is falling?", 25 February).

The reason there have been a hundred or so National Lottery jackpot-winners is that the draw has taken place once or twice a week for the past couple of years. Alas, usually only one or two people win each time.

In contrast, a smallish asteroid hits the Earth only about once in 500,000 years, but would kill about a quarter of the global population in one go. Taking the long-term average, the odds of this happening to any one of us in our lifetime are indeed greater than those of winning the lottery.

Dr DAVID A ROTHBERY
Department of Earth Sciences
The Open University
Milton Keynes, Buckinghamshire

Takes the cake

Sir: I read with interest the discussions about whether prisoners' food was giving them enough nutrition ("Mrs Howard denies jail comment", 25 February). Are we coming to the position where prisoners will be sent a file with a cake inside?

ROGER BRIMBLE
South Croydon, Surrey

Post letters to Letters to the Editor, and include a daytime telephone number.
Fax: 0171-293 2056; e-mail: letters@independent.co.uk.

E-mail correspondents are asked to give a postal address. Letters may be edited for length and clarity.

They used to be places where you went to buy food, but now they are vast, sparkling commercial centres. And there's much more to come, says Ann Treneman

Date: Two weeks before the general election in the year 2007.
Place: A supermarket, though it is now called a Consumer Community Centre.
Scene: A man wearing a community enhancement monitor badge stops a customer as she looks over the Great British (née Brussels) sprouts. "I hope we can count on your vote?" he says. "Oh yes, I always vote Sainsbury's - always have since you took over managing that other lot," she says and starts testing the sprouts for genetic defects.



Out with half-day closing, and in with all-night opening: the Bouncing Clock tells punters at Tesco near Gatwick airport that they can shop at any time

Photograph: Edward Sykes

Supermarket 2007

• Open 24 hours • Cloned meats • Leisure drugs • All-night alcohol • Doctor's surgery
• Pharmacy • Crèche • Bank • Gym • Travel agent • Vet • Singles' nights • Free taxis

This may sound like science fiction but don't bet your Brussels sprouts on it. Supermarkets are on a roll and no one knows where they are going to end up. Only a few years ago they were merely purveyors - and not very efficient ones at that - of boring old British food. Gravy granules were about as exciting as it got and the only thing that came free was the grime at the check-out.

Nowadays one cannot see the gravy for the guacamole and soon it will be much all round as you nip down aisle 10 to find an extra-special mortgage deal.

Hardly a week passes without some big supermarket news. Today sees the launch of Tesco's 24-hour shopping experiment. Last week Sainsbury's Bank made its debut in selected stores, putting savings accounts and credit cards up there on the shelf with own-brand baked beans.

And don't forget the "first-ever" direct baby catalogue and Internet home shopping

and self-scanning trolleys. Everything is "new", "unprecedented", "unique" and offers - of course - "Unbeatable Value".

Confused? Join the club - or perhaps you already have. After all you can now get 5 per cent gross interest on some "club card" credit balances. "This means that customers can save as they spend," says one supermarket press release. "and when there is a special occasion to spend a bit more, they can apply for a credit limit and won't have to worry." This is fine if you also believe that pigs can fly - "See Aisle Six for our Air-Reared Pork" - and that the green cheese made by that nice Mr Moon is going to be on sale soon.

Any time anyone other than a close relative offers anxiety-free credit we should get worried. But we won't. For starters, the new supermarket banks are offering rather good deals - for now - and they have an incentive to continue to do so for a little time yet. A Gallup poll shows that almost half of all shoppers carry loyalty cards and supermarkets are hell-bent on increasing that figure.

"But have you seen the prices lately?" asks a friend who has just changed from Sainsbury's to Somerfield in search of a lower shopping bill. But many supermarkets seem to have switched from cutting prices to providing "extra value".

There's a lesson here and it is much like the one preached by John Travolta's angel in the new film *Michael*. The story, as he tells it, involves a discussion between the sun and wind, with the latter bragging about

his great powers. "See that man down there in that coat?" the wind asks the sun. "Just watch while I make him take it off." And so the wind huffs and puffs and blows and blows. But the man only wraps up tighter. "Let me try," says the sun and starts to beam. In a minute the man takes off his coat, no sweat.

The loyalty card has several solar-powered features. We feel good as the points add up. We feel as if we are "earning" something. We only feel a little embarrassed as we stand in front of an industrial-sized jar of mayonnaise wondering if we should get three for the price of two and "earn" 100 bonus points. It is now one of my personal goals in life to "earn" enough bonus points to pay for an entire week's shopping. My friends say this is sad but they are just jealous because they keep cashing in their reward points to pay for the odd bit of dry-cleaning. My loyalty has been bought, no sweat.

Besides offering Unbeatable Value, supermarkets are working hard to live up to what used to be your basic hunter-gatherer slogan around a store. *Shop Till You Drop* - the new Channel 4 series on the "anthropology of the aisles" - notes that it is normal for shoppers to go into a store like state while manneuvring their trolleys. During this time, the eye blink rate goes down to 14

per minute but when we see something interesting it immediately goes back to a normal 32 per minute. All of those snazzy arrows, signs and bold packaging are put there with the goal of increasing your blink rate.

Supermarkets now aim to be "fun" and "exciting" - and they will even let you go to the lavatory without having to compete for the Bafta for best acting performance in pursuit of a public convenience. There are cafés and newsstands and non-dispensing pharmacies.

The battle is on to allow real drugs for sale here, but who needs Prozac when you are surrounded by retail therapy? Extended hours have provided what they call new "opportunities" for shopping. "Sunday opening has changed many households' complete way of life," says consumer psychologist Sue Keane. "The whole family may go shopping and perhaps have lunch. It's a family outing. It's an event."

That event at Tesco's superstore near Gatwick airport seems to be a carnival. Even the trolleys lined up at the entrance look dressed to kill in their various guises and colour schemes. Just outside the door a Budgie the Helicopter children's ride acts as a sort of gyrating welcoming committee. The store stocks 18,000 different products and has 800 car parking spaces. It sells clothing and petrol and has a café that does takeaway Indian tandoori and Chinese meals.

Just inside the door is a character who seems to have escaped from Enid Blyton's *Faraway Tree*. This is our Bouncing Clock, says store general manager Paul Smythe, introducing a blow-up watchface. "You know it is human because of the arms, legs and voice telling you it is hot in there."

Mr Smythe explains: "He has to hounce to keep the air circulating." Good for the calf muscles and for getting the message across: no one can resist going up to him and taking a "Shop Around the Clock" leaflet.

"We were open 24 hours just before Christmas and it was a huge success," says Mr Smythe. "The store looks the same in one night as it did during a normal day and the customers loved it. We even had

see people opt for pig's ears. I have been adventurous in my own day, let me stress. I have eaten alligator in Louisiana, and delicious it was. I have eaten roast guinea pig in Peru, and very interesting it was. I have even eaten deep-fried haggis in Edinburgh and you don't get much more high-risk than when you adopt the dangerous Scottish way of eating. I once ate sea slug in a Chinese restaurant in Richmond, which I shall never do again, as I cannot imagine anything worse than sea slug."

Unless it is tripe. Despite the advocacy of Bill Tidy's "Fosdyke Saga", I have never seen the least attraction in tripe, which has all the visual appeal of left-over floorcloths. The only time I ever dared to eat it was when I was staying in Normandy years ago, and reckoned that if the French couldn't cook it properly nobody could, and now was the time to take my courage in both hands. So I opted for "Tripes à la mode de Caen" as dish of the day. I did not enjoy it. Never again.

"Can I freeze these?" the young woman buying the

pork chops are unavailable or beyond their pocket. I would hate to think that people actually prefer pig's trotters to pork chops, or would plump for *andouillettes* when they can get properly made sausages.

Which is why I was rather perturbed to see a young woman buying a pair of pig's ears yesterday, in Mr Bartlett's shop in Green Street, Bath. You can get anything you like there, from rabbit and pigeon to haggis and wild boar, as well as the more normal things, so it is a little worrying to

see people opt for pig's ears. I have been adventurous in my own day, let me stress. I have eaten alligator in Louisiana, and delicious it was. I have eaten roast guinea pig in Peru, and very interesting it was. I have even eaten deep-fried haggis in Edinburgh and you don't get much more high-risk than when you adopt the dangerous Scottish way of eating. I once ate sea slug in a Chinese restaurant in Richmond, which I shall never do again, as I cannot imagine anything worse than sea slug."

Unless it is tripe. Despite the advocacy of Bill Tidy's "Fosdyke Saga", I have never seen the least attraction in tripe, which has all the visual appeal of left-over floorcloths. The only time I ever dared to eat it was when I was staying in Normandy years ago, and reckoned that if the French couldn't cook it properly nobody could, and now was the time to take my courage in both hands. So I opted for "Tripes à la mode de Caen" as dish of the day. I did not enjoy it. Never again.

"Can I freeze these?" the young woman buying the

The battle is on to sell real drugs here, but who needs Prozac when you are surrounded by retail therapy?

Pig's ears give me something to chew on

When you meet vegetarians, you are supposed to find out what kind of vegetarian they are - whether they are vegans, whether they eat fish occasionally, if they abhor cheese and milk, and so on. When vegetarians come to supper, you are supposed to cater for their particular tastes, which you have established in advance.

But if you are a carnivore (as I am) you soon realise that vegetarians do not generally cater for your strange tastes when you go to eat at their place, and nor do they ever bother to establish what kind of a carnivore you are. They probably do not even realise that there are different grades of carnivore as there are different ranks of vegetarian. Oh, but there are, there are. It is very unusual to meet a carnivore who will eat everything that an animal can provide. For instance, I know carnivores who will tuck into steak tartare but who will not eat offal such as liver and kidney. I like liver and kidney but I draw the line somewhere between steak tartare and sushi. Precisely

where I draw this line am not sure, or at least I was not sure until yesterday when I found myself in a queue in a butcher's shop behind a woman who was buying pig's ears. I then knew that I had met someone who was prepared to go further down the line than I was. Most internal offal I can handle. External offal has me looking the other way. Pig's trotters, duck's feet, Bath chaps - no thanks.

The trouble is that these delicacies are often thought to be exotic specialties of a kind that should appeal to the adventurous and well-travelled, and nobody likes to be thought unadventurous and badly travelled. Usually they are extremely ethnic in origin, being part of something like Chinese regional cooking or black American soul food. But peasant cooking offers such well-cooked extremities as that peasants often have nothing else to eat and have to make do with interesting ways of cooking these animal scraps. People, I hope, only eat pig's trotters because

where I draw this line am not sure, or at least I was not sure until yesterday when I found myself in a queue in a butcher's shop behind a woman who was buying pig's ears. I then knew that I had met someone who was prepared to go further down the line than I was. Most internal offal I can handle. External offal has me looking the other way. Pig's trotters, duck's feet, Bath chaps - no thanks.

The trouble is that these delicacies are often thought to be exotic specialties of a kind that should appeal to the adventurous and well-travelled, and nobody likes to be thought unadventurous and badly travelled. Usually they are extremely ethnic in origin, being part of something like Chinese regional cooking or black American soul food. But peasant cooking offers such well-cooked extremities as that peasants often have nothing else to eat and have to make do with interesting ways of cooking these animal scraps. People, I hope, only eat pig's trotters because

where I draw this line am not sure, or at least I was not sure until yesterday when I found myself in a queue in a butcher's shop behind a woman who was buying pig's ears. I then knew that I had met someone who was prepared to go further down the line than I was. Most internal offal I can handle. External offal has me looking the other way. Pig's trotters, duck's feet, Bath chaps - no thanks.

The trouble is that these delicacies are often thought to be exotic specialties of a kind that should appeal to the adventurous and well-travelled, and nobody likes to be thought unadventurous and badly travelled. Usually they are extremely ethnic in origin, being part of something like Chinese regional cooking or black American soul food. But peasant cooking offers such well-cooked extremities as that peasants often have nothing else to eat and have to make do with interesting ways of cooking these animal scraps. People, I hope, only eat pig's trotters because

where I draw this line am not sure, or at least I was not sure until yesterday when I found myself in a queue in a butcher's shop behind a woman who was buying pig's ears. I then knew that I had met someone who was prepared to go further down the line than I was. Most internal offal I can handle. External offal has me looking the other way. Pig's trotters, duck's feet, Bath chaps - no thanks.

where I draw this line am not sure, or at least I was not sure until yesterday when I found myself in a queue in a butcher's shop behind a woman who was buying pig's ears. I then knew that I had met someone who was prepared to go further down the line than I was. Most internal offal I can handle. External offal has me looking the other way. Pig's trotters, duck's feet, Bath chaps - no thanks.

where I draw this line am not sure, or at least I was not sure until yesterday when I found myself in a queue in a butcher's shop behind a woman who was buying pig's ears. I then knew that I had met someone who was prepared to go further down the line than I was. Most internal offal I can handle. External offal has me looking the other way. Pig's trotters, duck's feet, Bath chaps - no thanks.

where I draw this line am not sure, or at least I was not sure until yesterday when I found myself in a queue in a butcher's shop behind a woman who was buying pig's ears. I then knew that I had met someone who was prepared to go further down the line than I was. Most internal offal I can handle. External offal has me looking the other way. Pig's trotters, duck's feet, Bath chaps - no thanks.

where I draw this line am not sure, or at least I was not sure until yesterday when I found myself in a queue in a butcher's shop behind a woman who was buying pig's ears. I then knew that I had met someone who was prepared to go further down the line than I was. Most internal offal I can handle. External offal has me looking the other way. Pig's trotters, duck's feet, Bath chaps - no thanks.

be possible to go to Sainsbury's, say, and do all your food shopping, do your post office transactions, do your banking, have a meal, go next door to the SavaCentre and buy your household things and come out and fill up with petrol," says Sue Keane.

"Perhaps on the way you might stop to arrange a loan for your holiday and by then you can probably also book that there as well."

Of course, one might need someone to go on holiday with and they could stop by the supermarket dating agency. After all it is not only Armistead Maupin in his *Tales of the City* who claims that the aisles are the perfect place for cruising. In America, bookshops are holding singles' nights. It cannot be long before some supermarkets here do, too.

Not all supermarkets, of course. Some seem to have remembered that they exist to sell food and one of these is Asda. "No we are not going to be a bank. We are trying to be a shop," says Archie Norman, the 42-year-old chairman.

"We see the future as being about food - fresh, prepared and ready-to-eat - and things that go with that, like health care and clothing for all the family. That's our chosen agenda. We see the future about offering better value and offering more excitement rather than getting into very complicated services which are the province of other large industries."

Mr Norman would like to see such things as health clinics in his supermarkets and it is these kinds of services that could stop us from becoming a nation of couch potatoes who order our spuds and everything else via the Internet.

Jill Rawlings of Somerfield predicts that in 10 years it may be normal to order "standard supplies" via the Internet but believes we will continue to shop in person for meals, fresh fruit and vegetables and for social (not to mention health) reasons.

And what of politics? There does seem to be a connection, though hardly on the same level as the mangelout buyer who was fated by farm workers in Zimbabwe recently as the "King of Tesco". But we have had some politics from the Sainsbury's - both Tim and David - and Archie Norman is standing as a Tory candidate in Tunbridge Wells.

"I've been absolutely explicit that our business is not a political business in any sense of the word," says Mr Norman. "There are no circumstances in which Asda will be involved with politics."

Sue Keane laughs at the very idea but then thinks aloud: "I must say that supermarkets have more influence on the normal side of our lives than politicians have. Maybe the day will come when the market researchers will come round and knock on your door and say: 'Are you voting Sainsbury or Asda?' I can see no reason why they wouldn't. Gosh, I think they'd get a lot of votes."

See, no sweat.

CD-ROM Reader Offer - £24.99

CRICKET

A CELEBRATION OF SUMMER'S GREATEST GAME



Requirements: PC and Mac compatible. Recommended min RAM: Double speed CD-ROM drive

Featuring the NatWest Trophy Quiz - 50,000 questions to stump you



Includes the 1996 season

CREDIT CARD HOTLINE
01483-268888

(price includes p&p) Please allow 28 days delivery

Available from all good stockists RRP £29.99

Over 500,000 words and statistics from the Test matches, the County Championships, the NatWest Trophy, the Benson & Hedges Cup, the Gillette Cup, the Sunday League, the World Cup plus 100 years of tables, averages, career records, results and over 800 pictures

mirror media product

Radio highlights include The bowler is Holding... Botham's "leg over" Johnners and the cream cake



Video clips include W.G. Grace Batting, Cork's Test hat-trick, Sober's six sixes

We know you're one of us, Tony. But who are we?

Some little bird or bloody great gull has whispered in Mr Blair's ear and told him to get personal. Stop all the political malarkey and tell the punters what they really want to hear. So today in *The Sun* you can read "When Tony met Cherie - The Blair Love Story".

Being New Labour means presumably never having to say you're sorry. Ever since Sue Lawley went for his weak spot on *Desert Island Discs*, Blair has been making a concerted effort to show a more human side. It doesn't stop the punters being suspicious that one day he will reveal the reptile inside him like something out of *Dark Skies*.

In "opening his heart" to *The Sun*, Blair comes across as a man both sustained by and deeply involved with his family. He is concerned about the effects of his work on his children and wife. If the ultimate sacrifice had to be made, he says, he would choose his family over politics.

All this is fine, until this extraordinary man tries to play the ordinary bloke and spouts on about chippies and pints down the Labour club and watching *Gladiators* and *Noel's House Party* and eating fish suppers in front of the telly. I am sure he does some of these things. I am sure he's a good bloke really. I am sure he's one of us. By the way, who are we?

I only ask because by ticking off what he imagines the signifiers of working-class authenticity in *The Sun*, are we supposed to forget Felles and Granita and the Oratory and Cherie's salary or are we supposed to assume that Britain is a genuinely classless place and Blair's sudden attempt at downward mobility is a graphic illustration that class is but another item in the rabag of identities for politicians to play with.

If so, class has moved from being something firmly attached to material circumstances to something purely cultural. No wonder the Maudsleys get so vulgar. The proletariat now defines itself not by what it does but what it likes. Class is defined not by what work you do but what you do when you are not working - by one's leisure activities. It seems strange that Blair should choose to play this game, as it is quite clear to anyone with half a brain that there is no way he could be defined as working class. Indeed if class, in the old sense of the word, is needed, then John Prescott is wheeled in. Whereas Ginger Rogers gave Fred Astaire sex, Astaire gave her class. The exchange between Blair and Prescott is, I take it, a classier one altogether.

Yet if Blair is a working-class wannabe then he is not alone. Popular culture is loaded with all sorts of men who drag up in working-class garb, who claim authenticity by reference to their trivial pursuits. In the space of a few years football has been made both more respectable, dare I say bourgeois, as well as remaining the ultimate symbol of a collective and common culture. Rid of its hooligans, it is now a sport with which the whole family can become involved. Likewise if you are Oasis or Chris Evans or any old footballer then a working-class yob is something to be - truly heroic. Until, that is, something like Gazza happens and then a great deal of denial about what working-class masculinity may entail takes place. *The Sun* itself had to tread this fine line by describing wife-beating not as low class but as low life.

New Labour is about a concerted effort to appeal to the middle classes. The paradox, of course, is that it has occurred at a time when that class feels itself beleaguered and endan-



Suzanne Moore

Labour's leader is a working class wannabe who says he likes fish and chips and 'Gladiators' on the TV. Voters may not be so easily impressed

gers. Downsizing and deregulation has meant that the uncertainties of redundancy and short-term contracts which belonged to traditional working-class life are now felt by the professional classes. The workers who have experienced their rights dwindling away have been middle class. What they took for granted, from pensions to health care to decent schools to jobs for life, has been swept away. And they have been the most vocal about something which has actually affected all classes.

The result is a society in which in some areas class is demarcated more than ever before, while in others its existence is completely denied. This contradiction is not new, but it is being played out in a different way than before. Thatcher appealed to the aspirational voter. Upward mobility could be guaranteed by property owning, the purchase of another microwave, enough money to eat out occasionally. It was the ultimate from of privatisation. Society, a questionable concept, may not get better but the individual could improve their lives immeasurably.

New Labour, despite its hard-headed realism, also offers an aspirational fantasy, but it is one in which the shared, public bonds between individuals also get upgraded. The world will be a safer, cleaner, kinder place. The language of class solidarity is dead for them because it implicitly means class conflict. No one must be alienated. Sadly, the person who best embodies classlessness is still John Major.

This post-modern version of class is free-floating. In its most positive manifestation it has managed to detach itself from the old, constraining, definitions, which simply did not describe life as it was lived. The negative aspect of this - the grabbing of the attributes of other classes - appears a desperate sham. Those secure in their positions do not have to pretend to be one of the lads.

Blair, meanwhile, has to be so many things to so many people, one begins to wonder if he has cloned himself, or whether one person can really rush between Granita and the Labour club, gala dinners and the footie, all the while demanding balsamic vinegar on his scraps. His tastes may be genuinely down-market, and we have no reason to believe that they are not, but his lifestyle isn't. Why pretend otherwise?

Voters surely vote for politicians whom they realise are not the same as them. The fetish of ordinariness, which always means hokiness, is a peculiar phenomenon. Superwoman Cherie is reduced to subservient wife, his children to little symbols of normality.

Politics has learnt too much from advertising. It now little more than a form of niche marketing. Gaps are spotted, focus groups observed through two-way mirrors, and politicians' personalities, dress and opinions are manufactured to fill the gaps.

When Clare Short with her image undone finds more favour than any number of other female MPs, no one apart from the image makers themselves are surprised. You see in the midst of all this is a desire for something decent, honest and true, attributes which are not the prerogative of any one social class. The day Blair stands up and says it loud "I'm middle class and I'm proud" is the day we might begin to trust him. He's been looking through two-way mirrors for too long. A vision of middle-class heroism is nothing to be ashamed of. A working-class hero may still be something to be. But only if you have no other choice and only when Saturday comes.

by Nicholas Schoon

Something momentous is happening to our water, something that will transform the way societies work around the globe in the next century. We are starting to run short of the stuff in some parts of these wet and windy islands, mainly because we demand more and more of it. The usual response to looming water shortages would be to dig a few more reservoirs, sink a few more boreholes and expand the supply.

But a powerful consensus has recently emerged that this is completely the wrong answer. Instead, rising demand should be constrained. We will come to the whys and hows, the rights and wrongs, of that constraint in a moment. But first, its significance.

When a commodity goes into short supply the price goes up. That encourages suppliers to find new sources or to develop alternatives. Since civilisation began, humanity has been able, by and large, to expand supplies of most things in line with increasing population and rising affluence. Of course there have always been local shortages for one reason or another, and a few more esoteric commodities, such as whale products, have virtually disappeared because of over-exploitation.

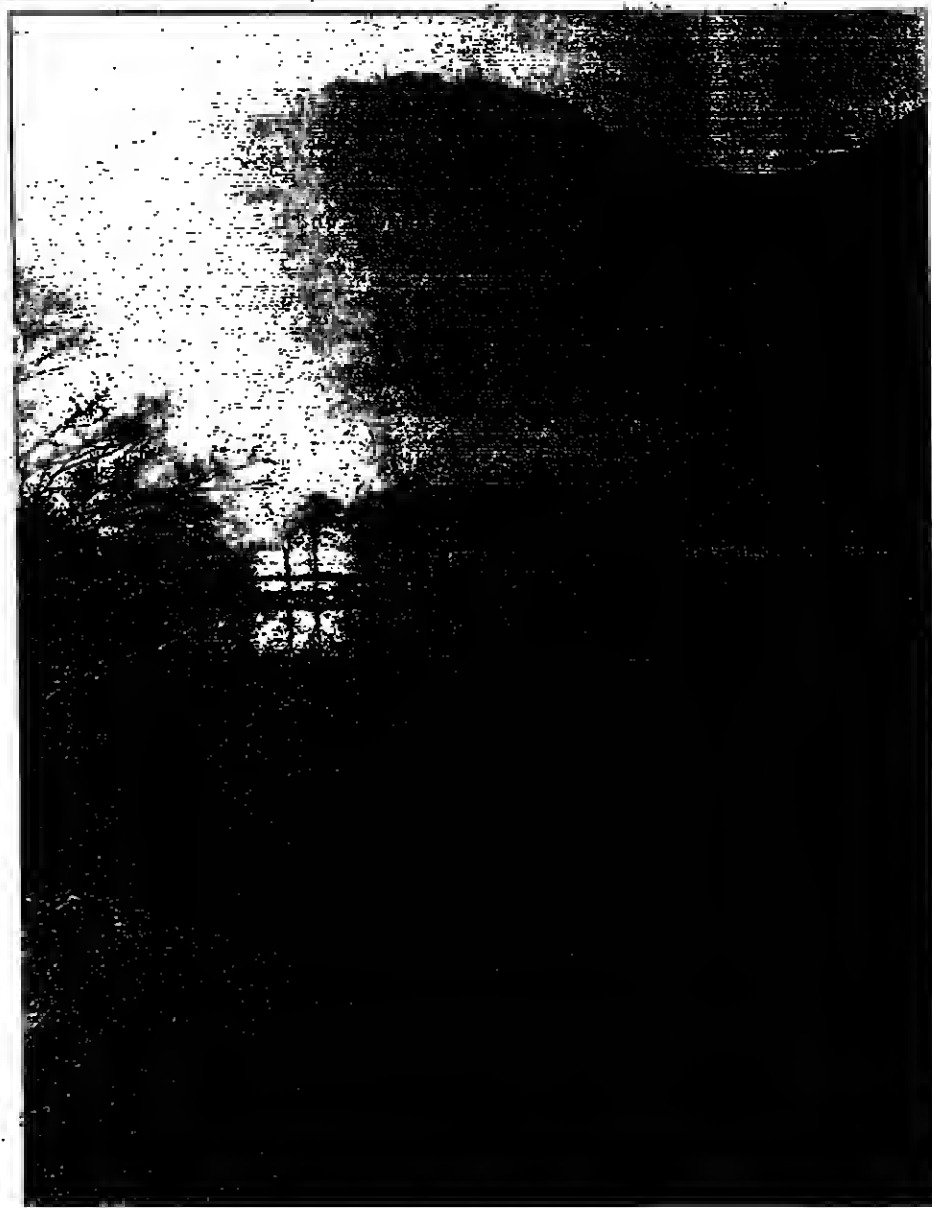
But generally we have been able to win more and more supplies through a combination of technological advances, improved efficiency, discovering alternatives and looking further afield. Becoming richer has been all about consuming more stuff, stuff as diverse as space, water, energy, clothing, travel and electronics.

Of course this cannot go on for ever. The interesting thing about being alive in the century after 2000 is that this will be the age when supply limits will bite. The human population will probably stabilise at a little less than twice its present level of 5.8 billion, but economies will keep on growing. Because of the weight of human numbers and their aspirations for higher standards of living, all sorts of industries that rely on extracting both renewable and finite natural resources - fossil fuels, water, timber, fish - will start hitting global limits.

That could lead to escalating shortages, shortages and prices. Businesses, governments and educated consumers will want to avoid the inevitable chaos and unhappiness, but they will also want to avoid the corruption and inefficiencies that would spring up if the state moved in and started rationing. Demand constraint, or demand management as it is more congenially entitled, will be one of their most important solutions to these looming supply crises.

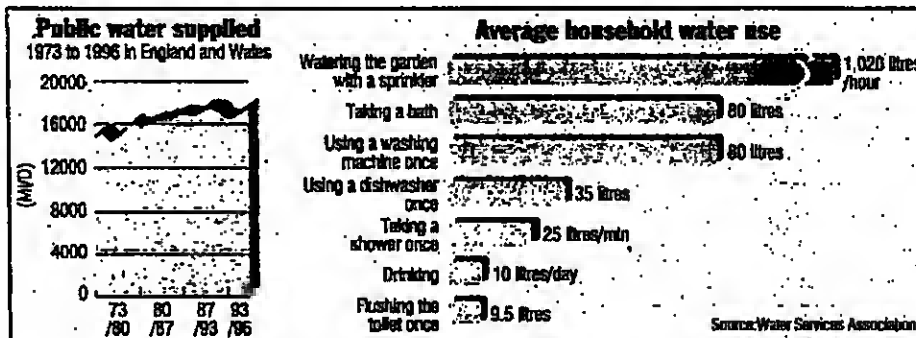
England's water shortages are showing us the way to a future in which the link between rising standards of living and rising consumption

Why we are too wet about water



The wet country: yet Britain must curtail the demand for water

Photograph: John Voss



of materials is finally broken. The new consensus on the need for demand management emerged last week, when the 27 smaller water companies of England and Wales announced that they wanted several big new reservoirs to be built, and they were swiftly slapped down by the two government water regulators, the Environment Agency and Ofwat. Both argued that the companies' efforts and investments should go into cutting waste - by themselves and their customers - in order to stop the steadily growing demand for water. Talk of spending large sums securing new supplies was premature.

The regulators were backed up by environmental organisations, including Friends of the Earth which pointed out that using more and more of the

rainwater that falls on Britain was harming wildlife. There are now numerous, well documented examples of rivers, wetlands and lakes that have been damaged by water companies and farmers taking too much.

Yesterday the Government's Round Table on Sustainable Development, which advises ministers on long-term issues affecting the environment, economy and society, added its voice to the chorus calling for demand management.

Water companies, large and small, disagree. They call for a two-track approach - demand management and investment in expanding supplies. They argue that climate change means it could well become drier and the time has come to plan for this. Furthermore, they claim that however hard they try to

change attitudes and encourage water thrift, customers will continue to want more water.

Many customers will think all this is crazy. Britain is plainly a rainy country, and if some parts such as the South-East and East Angles are suffering shortages then build new reservoirs,

sink new boreholes, or pipe the stuff down from the wetter west and north of the country, they say. But do they wish to see their water bills rise, still further, to pay for all the investment this will entail? What if it works out much cheaper to use water more wisely instead?

According to the regulators, it makes much better economic sense to cut the huge quantities that industry and its customers waste than to expand supplies. Of course, people also use other commodities such as fossil fuels in an extraordinarily wasteful way while their demands keep on rising. Only with water are the regulators starting to press home attempts to cut demand.

The companies are, quite rightly, being forced to cut leakage from their pipes. But, as examples of best practice from the most enlightened companies shows, there is also enormous scope for them to help their customers use less without having to share baths, drop hygiene standards and generally live more miserable lives.

When they send out the bills, they can include vouchers that entitle customers to discounts on water-saving devices - such as gravity-fed showers, water butts, and end-of-hose attachments that allow you to turn the flow on and off there instead of having to walk back to the tap. The companies all ought to offer their customers free leak detection. And it really isn't too much to expect people to turn off the tap while they brush their teeth.

But there is one really painful nettle which has to be grasped - the much loathed water meter. Having your consumption of water measured does, as trials have repeatedly shown, encourage people to use it more carefully. It makes no sense to meter every home in the land; for one thing it is difficult to provide water meters in flats. But it is fair and reasonable to insist that households that use a lot of water (and can afford to pay), such as those with gardens and outside taps or swimming pools, have meters, fitted free.

The consensus on the need for demand management is far from solid: the next government and the public have to sign up. Then we can move on to do the same for other key commodities - energy, timber, perhaps even travel - and find export markets for our techniques. A future beckons in which small really is beautiful and less means more.

Hedy Lamarr's deadly weapons

More than just a Hollywood icon, she was a pioneer of military technology, says Edward Helmore

In an extraordinary marriage of beauty and brains it turns out that Hedy Lamarr, to many one of Hollywood's most glamorous actresses, was an accomplished inventor who developed an early guidance system for torpedoes that was later developed to become the basis for some of the world's most secret communication satellites.

In the odd tradition of celebrity potents - one that includes Harry Houdini's diving suit, Lillian Russell's trunk-dresser, Zeppo Marx's cardiac wristwatch and "Mark Twain's Patent Scrapbook" - the little-known and improbable tale of how Lamarr bridged the worlds of showbiz and technology to become a pioneer of advanced weaponry was recently unearthed by Hans Joachim Braun, a history professor at Universität der Bundeswehr in Hamburg.

As a teenage actress in pre-war Berlin, Hedwig Eva Maria Kiesler, who would later be given the name Hedy Lamarr by

the Hollywood film mogul Louis B. Mayer at MGM, showed the world her acting skills and much of herself in the 1933 Czech film *Ecstasy* (Ecstasy). Her performance attracted Fritz Mandl, a powerful Austrian arms dealer, who won her hand and presented her as a hostess of Viennese society, entertaining such figures as Hitler and Mussolini.

In 1937 the two divorced, Mandl becoming an adviser to Juan Peron in Argentina, while Madame Mandl moved to Hollywood where she became Hedy Lamarr and starred opposite Clark Gable and Spencer Tracy in such films as *Samson and Delilah* and *Conquering X*. There she met the second of her six husbands, the avant-garde composer George Antheil, best known for his Futurist composition *Ballet Mécanique*, which required 16 synchronised player-pianos and caused a sensation when it was first performed in Paris in 1926.

Antheil, who was working as a film-score composer, had



written a series of advice columns to the lovelorn in *Esquire* and published a book, *Every Man His Own Detective: A Study of Glandular Endocrinology*. In the summer of 1940, the 26-year-old film beauty met Antheil at a dinner party and apparently approached him to inquire how she could enlarge her breasts. The subject soon turned to weaponry when she revealed she was considering leaving Hollywood to work for the National Invention Council in Washington DC.

Lamarr had the idea that a torpedo's radio guidance signal could not be jammed if the signal was hopped across at seemingly random frequencies at split-second intervals. Would-be eavesdroppers would hear only unintelligible blips, and attempts to jam the signal would succeed only at knocking out a few small bits of it. Antheil's contribution was that the frequencies could be switched in much the same way as he co-ordinated the player

pianos in his ballet using slot-taped paper rolls.

Based upon the 88 keys on the piano, the couple submitted their "Secret Communications System" to the Invention Council and were granted a patent two years later. But the clash of cultures proved too much for the Navy, which shunned the idea, put off partly by the idea of having piano rolls in their torpedoes, as well as the problems of radio waves penetrating the water.

The Lamarr-Antheil patent expired in 1959, just three years before frequency-hopping was first used on ships during the Cuban blockade. Since then it has become the basis of modern anti-jamming applications, for example, the \$25m US Military defence communications satellite system.

In her Hollywood days, Hedy Lamarr was often quoted as saying, "Any girl can be glamorous. All she has to do is stand still and look stupid." Glamorous she was, but stupid she wasn't.

Renewing your home insurance in March or April?

If you are 50 or over, you could save with Saga - call us NOW

You will know how expensive home insurance can be. Thankfully, if you are aged 50 or over you can benefit from SAGA Home Insurance - a superior household insurance that is only available to mature, responsible people like you.

SAGA Home Insurance could offer you genuine savings over other policies, while giving you cover that fully protects your home and possessions.

The Saga Price Promise
If you find another comparable policy at a lower price within 2 months of taking out SAGA Home Insurance, we will refund you the difference.

SAGA
Services Ltd

Saga Services Ltd, FREEPOST 771, Middleburg Square, Folkestone CT20 1AZ

Saga Services Ltd would like to send you information about other Saga products and services and may pass on your details to other Saga companies for this purpose.

And why not ask us about our competitive MOTOR INSURANCE



- Insurance cover is comprehensive and low cost
- Discounts for home security
- Free pen with your quotation

Call us today

For your free no obligation quote simply call us on the number below. We will be pleased to answer any questions you have on SAGA Home Insurance.

0800 414 525
quoting reference ID2711

Lines open Monday to Friday 9.00am - 7pm, Saturdays 9am - 1pm

business & city

Business news desk: tel 0171-298 2636 fax 0171-298 2098
BUSINESS & CITY EDITOR: JEREMY WARNER

Centrica wants selective price cuts to beat off rivals

Chris Godsmark
Business Correspondent

Centrica, the former British Gas supply business, held talks with the industry regulator earlier this week in its drive to gain approval to make the first selective price cuts to consumers for decades, it emerged yesterday.

Roy Gardner, Centrica's chief executive, is understood to have submitted a detailed pack-

age of discounts to Clare Spottiswoode, the regulator, affecting some of the 500,000 homes taking part in the first trial of domestic competition in the South-west of England. Since the trials began in May 1996 British Gas has lost 18 per cent of its customers to rival suppliers, who are offering to knock as much as 20 per cent off bills. Ofgas, Ms Spottiswoode's department, will only allow

Centrica to cut prices when it decides competition has become fully established. Mr Gardner believes that with almost 20 per cent of South-west customers no longer using Centrica, that point has been reached. However rival suppliers including Calortex, the market leader in the first trial area, have already pledged to oppose any cuts.

Mr Gardner said he believed

Ms Spottiswoode was sympathetic, but declined to reveal the levels of discounts. He said: "We're discussing this with Ofgas. I don't think you will have to wait long before you see some announcements from us."

Centrica indicated that numbers switching to new suppliers in the second phase of the trials, involving a further 500,000 homes in Avon and Dorset, had been smaller than expected.

Just 3 per cent of households have so far moved, though Mr Gardner said more switches were in the pipeline. Another million homes will be able to choose their supplier in Kent and Sussex next month.

British Gas, now renamed BG Plc, yesterday revealed a dramatic, though expected, plunge into the red after making further restructuring provisions in its last results as a

combined distribution and supply corporation. The two halves of British Gas demerged earlier this month. Current cost losses last year after tax totalled £571m, compared with profits of £130m in 1995.

The long list of provisions which hit the figures totalled £1.14bn, of which £822m went to Centrica and £424m went to pay for extra voluntary redundancies across the group. Al-

most 12,500 staff left British Gas last year.

The headline provisions included £635m Centrica was forced to spend on its "take-or-pay" problem, where it has to buy gas at inflated prices. Renegotiating contracts with BP and Mobil cost £341m. BG also spent £70m on the demerger. A further £100m went on sorting out customer services problems at Centrica.

Richard Giordano, BG's chairman, defended the provisions. He explained: "Nobody likes to lose money but these provisions had to be done. The only way to get the company in a state to go forward was to clear the decks as much as possible."

Shares in BG gained 2p to 175.5p, while Centrica's shares closed unchanged at 68p. *Comment, page 21*

British share of new investment in EU 'declining'

Diane Coyle
Economics Editor

Business leaders' fears that the tide of anti-European feeling in the Conservative Party will harm inward investment prospects are backed by a report published today which shows that the British share of new overseas investment in the EU is in decline.

The figures from the UN's Conference on Trade and Development (Unctad) add weight to fears that Adair Turner, director general of the CBI, will express in a St David's Day speech in Cardiff today.

Mr Turner will say that even if the UK does not join the single currency, it is essential for the sake of business for the Government to strike a positive tone.

He will also criticise the Government's "rationalism" about the difficulties some continental economies are currently facing. "Before we fall for the myth of Europe's economic disaster, we should remember that its income per head has grown faster than that of the US in the past five, 10 and 20 years, and that continental Europe's export performance remains strong. The European economy is not a disaster."

He adds: "Our national interest lies in full and constructive membership of the European Union, arguing from within for the changes needed to make it more successful. We cannot afford to let Europhobia rule."

The fear that British isolation

from Europe could be damaging investment flows was backed by economists yesterday. Nigel Pain, an expert on the subject at the National Institute of Economic and Social Research, said: "The primary factor in inward investment has always been to locate in the EU. To the extent that there is any uncertainty about Britain's commitment, that will discourage potential investors."

Ruth Lea, head of policy at the traditionally Eurosceptic Institute of Directors agreed. "Our membership of the EU is valuable on balance, and one reason is inward investment. There is no doubt that free access to the Single Market is a major factor," she said.

Mr Pain added that concerns about Britain staying outside the single currency, and having a volatile exchange rate against the euro, could potentially offset any advantages investors saw in the low level of costs in the UK.

The Unctad figures show that the UK share of new investment by Japanese companies has fallen from 44 per cent in the late 1980s to 39 per cent in the first half of the 1990s, although Britain still has by far the highest amount of existing Japanese investment.

While the UK holds the lead for investment from Hong Kong and Taiwan, Malaysian investment is concentrated in France, and China's in France and Germany. The smaller Asian economies invest far

more in Japan and the US, but are increasing their investment in the EU rapidly.

The Government has argued that deregulation and low taxation are amongst the key factors attracting inward investment to Britain. But the UN report, commissioned by the Thai government, shows that the British share of total investment from overseas has shrunk from nearly £22bn (£13.5bn) out of a \$60bn total in the late 1980s to \$17bn out of a \$82bn total in the early 1990s. That is, it has shrunk from more than one-third to just under one-fifth.

However, Ms Lea argued that it was no surprise to see countries such as France catching up in terms of attracting inward investment after a poor record in the early 1980s. Asian businesses would anyway want to invest in a range of countries. "They don't want to put all their eggs in one basket," she said.

The UK still has the highest level of existing, as opposed to new, Asian investment in the EU - about 40 per cent by value as opposed to 30 per cent for Germany.

The report says that a clear trend towards further liberalisation by the dynamic industrialising economies in Asia means their overseas investment will continue to grow. For EU countries, continuing to attract this new flow will be crucial. But it predicts that Eastern Europe will emerge as a significant competitor to the EU.



Adair Turner: Urging a positive tone on the EU for the sake of British business

New delays hit C&W's offspring

Chris Godsmark

Cable & Wireless has been faced with new delays in recruiting senior executives to join the new business and none of these jobs have gone to Mercury employees. Graham Wallace, the new chief executive poached from Granada's restaurants empire, has been joined by Nicholas Mearns-Smith, finance director of Nynex CableComms and, a fortnight ago, Martin Hayton, personnel director of C&W's majority-owned Hongkong Telecom.

The top firm of global headhunters, Egon Zehnder International, are thought to be compiling a shortlist for the post of director of business communications. One likely candidate is David Sexton, who is in charge of services to Mercury's largest commercial customers. However, other board posts remain to be filled, including the crucial job of running residential telephony and television operations.

Mr Wallace is believed to have said that additional time should be spent finding the best candidates. A spokesman for C&W last night said the process was on target, though he declined to reveal if there were any internal deadlines. "We are planning the next raft of appointments and it is progressing reasonably well."

The challenges come as C&W is thought to be moving closer to an alliance with the Global One partnership between France Telecom, Deutsche Telekom and Sprint of the US, which was one of Mr Brown's previous employers.

In public C&W has insisted the target is only to complete the merger by the spring, a much vaguer timescale.

However the formal offer document for shareholders outlining details of the deal has yet to be completed. Financial advisers are said to be still discussing the position of the minority investors in the new empire which comprise Bell Cablemedia and Nynex CableComms. Bell has already completed its £700m takeover of Videotron which was the precursor to the main deal.

So far C&W has appointed just three board members to run the new business and none of these jobs have gone to Mercury employees. Graham Wallace, the new chief executive poached from Granada's restaurants empire, has been joined by Nicholas Mearns-Smith, finance director of Nynex CableComms and, a fortnight ago, Martin Hayton, personnel director of C&W's majority-owned Hongkong Telecom.

The top firm of global headhunters, Egon Zehnder International, are thought to be compiling a shortlist for the post of director of business communications. One likely candidate is David Sexton, who is in charge of services to Mercury's largest commercial customers. However, other board posts remain to be filled, including the crucial job of running residential telephony and television operations.

Mr Wallace is believed to have said that additional time should be spent finding the best candidates. A spokesman for C&W last night said the process was on target, though he declined to reveal if there were any internal deadlines. "We are planning the next raft of appointments and it is progressing reasonably well."

The challenges come as C&W is thought to be moving closer to an alliance with the Global One partnership between France Telecom, Deutsche Telekom and Sprint of the US, which was one of Mr Brown's previous employers.

Boots chiefs contest top job

Nigel Cope

Boots has revealed its succession plans with the announcement that chief executive Lord Blyth will assume the role of chairman in 1998 while two joint managing directors have been appointed with immediate effect.

The two joint managing directors who will battle it out for the top job are Steve Russell, 51, managing director of Boots the Chemists, and David Thompson, 53, finance director. Sir Michael Angus, chairman, who was due to have stepped down from the role in July next year, will extend his term to 1998.

Boots said the new structure paved the way for a smooth succession as Lord Blyth, 57, nears retirement. However, with two men placed in positions of equal power beneath him it seems clear that a power struggle is in prospect.

Mr Thompson is well known in the City and has been on the board since 1990. But the reshuffle marks another big promotion for Mr Russell who was

appointed to the board only last year. Previously managing director of Do It All, the DIY business, he became head of Boots the Chemist in 1995.

The final piece in the succession jigsaw is that Brian Whalan, the managing director of Halfords is retiring early for personal reasons.

Lord Blyth's elevation to the chairmanship in 1998 means he will have been chief executive of the retail giant for 11 years. This period included the disastrous Ward White acquisition in 1989 which brought with it the troublesome Payless DIY chain as well as Halfords and the Fads and Homestyles decoration businesses.

City analysts said the changes should ensure a smooth transition. "It will not have any immediate impact on the running of the company. It is really just saying these are two favourites for the top job," said John Richards of NatWest Securities. Analysts said the two joint managing directors were unlikely to get in each other's way.

Comment, page 21

Heseltine in secret talks with BA over US tie-up

Randeep Ramesh
Transport Correspondent

Bob Ayling, the chief executive of British Airways, held secret talks earlier this week with Michael Heseltine, the Deputy Prime Minister, in an attempt to hasten the carrier's tie-up with American Airlines.

BA's proposed alliance with American Airlines has progressed slowly and Mr Ayling is concerned that the general election may scupper the deal. BA's

managers say that the earliest that the merger could be signed is this summer.

The airline has also consulted Labour officials and is confident that if Tony Blair takes over as prime minister, the deal will be cleared.

There are several obstacles in BA's way. Not least is the European Commission, which claims to have jurisdiction over the planned tie-up - a claim disputed by British ministers.

Ian Lang, the President of the

Board of Trade, referred the deal to the Office of Fair Trading. The OFT told BA it must release 168 of its landing slots at Heathrow if the deal is to escape a referral to the Monopolies and Mergers Commission. Experts have estimated that the proposed 168 slots, equivalent to 12 daily round-trip flights, could net BA £180m.

The debate over slot trading has become crucial after European Commissioners said the practice of selling the slots was

illegal under European competition law.

However, it is understood that Neil Kinnock, the Transport Commissioner, has proposed a scheme which would allow slots to be valued and put on to an airline's balance sheet - thus allowing BA to "sell" its allocation. This would also boost the balance sheets of many ailing state-owned carriers and increase support for BA from its European rivals keen on borrowing against the value of their slots.

The deal also faces stiff opposition in America. Officials in the US point out that the American Department of Transport needs to recommend the tie-up and then consult with US airlines - who all oppose BA's plans. Any consultation period would take at least six weeks.

The alliance involves BA and American going beyond simple "code-sharing" arrangements to a deal where the two airlines pool revenues and facilities. Rival carriers in the US have

launched an unprecedented attack on the link-up, which would give BA and American 60 per cent of UK-US flight capacity.

US airlines have said that BA and American would still be left with more than 3,000 slots at Heathrow. They have also claimed that other facilities, including security checks, baggage handling and departure gates, are in such short supply that the open skies deal would in practice lead to little growth in flight capacity.

Dutch firm joins queue for Unilever sale

Nigel Cope

Alko Nobel, the Dutch chemicals group, has emerged as a potential buyer of Unilever's specialty chemicals businesses put up for sale earlier this month. Alko's chairman, Cornelius van Lee, said yesterday he had "requested" an insight into documents with the bank handling the transaction.

He added that of the four businesses up for sale Alko would be most interested in the two smallest, Unichema In-

ternational, an oils and fats business, and Croscia, a producer of inorganic chemicals.

However, he added that Alko would also be interested in parts of National Starch, seen as one of the crown jewels of the specialty chemicals business which could attract a price of around £3bn.

Another Dutch company, Gist Brocades, has already said it would be interested in buying the Quest flavour's and fragrances division, also expected to attract a high price tag.

Unilever has appointed Lazard's to handle the sale. However, the bank has not yet prepared prospectuses for the businesses and the sale process is likely to take months. It has not yet been decided if Unilever will try to sell the division as one operation or as smaller parts.

With the four companies expected to fetch up to £5bn, there was further speculation yesterday on how Unilever might spend the proceeds. The company declined to comment on suggestions that it might be in-

terested in French foods group Danone, after its shares rose strongly yesterday.

There has been speculation that Unilever might prefer to strike in the United States with companies such as Heinz, Campbell's, CPC and Kellogg's cited as potential targets.

However, with new Unilever chairman Niall FitzGerald keen to expand the group's presence in emerging markets it is possible that he will invest the money in organic growth or in joint ventures.

RTZ tarnished by scandal at Sumitomo

Magnus Grimond

The Sumitomo copper scandal slashed profits last year at RTZ-CRA, the mining giant, which also yesterday announced it was reverting to its historic name of Rio Tinto. The group said the fall in metals prices in 1996, mostly copper and aluminium, had cost £311m (£190m) in lost earnings, while adverse exchange movements, particularly the Australian dollar had shaved a further \$38m from the bottom line.

The group is also facing continuing problems with the commissioning of its new copper smelter at Bingham Canyon, Utah, which represents the last phase of a \$2bn investment programme instituted since the operation was acquired from BP in 1989.

Underlying earnings, stripping out exceptional items, slumped 24 per cent to \$1.1bn (£701m) in the year to December. The group has moved to reporting its results and dividends in dollars, the main currency of its operations, which would

have resulted in a flat final dividend this year, the chairman, Robert Wilson, said. But in view of the recent appreciation of sterling the group has upped the final payment from 13p to 13.11p, payable as a foreign income dividend, as a gesture to shareholders. Even so, the total rises only marginally from 31.5p to 31.71p.

Mr Wilson said the name change would be put to shareholders at annual meetings of both companies. RTZ-CRA "really is too much of a mouthful", he said. The new name "has the great advantage of not becoming an acronym."

It harks back to the group's origins when it was floated on the stock market in 1873 as a developer of the ancient Rio Tinto copper mines near the river of the same name near Seville in southern Spain.

At the end of 1995, RTZ, as the group became, bought in its minority associate in Australia, the former Conzinc Rio-Tinto of Australia, to form the current group.

Investment column, page 21

STOCK MARKETS									
Index	Close	Day's change	Change (%)	1996/97 High	1996/97 Low	Yield (%)	Index	Close	Day's change
FTSE 100	4329.20	+9.90	+0.2	4357.40	3532.30	3.65	Nikkei	14920	+100
FTSE 250	4663.00	+2.30	+0.0	4665.00	4015.30	3.37	Dow Jones	8910	+10
FTSE 350	2148.90	+4.10	+0.2	2150.80	1816.60	3.59	FTSE 100	4329.20	+9.90
FT Small Cap	2356.22	+2.87	+0.1	2356.22	1954.06	2.90	FTSE 250	4663.00	+2.30
FT All Share	2119.24	+3.93	+0.2	2123.25	1791.85	3.54	FTSE 350	2148.90	+4.10
New York	6962.40	-20.78	-0.3	7067.46	5032.94	1.94	FT Small Cap	2356.22	+2.87
Tokyo	19021.56	+30.64	+0.2	22666.80	17303.85	0.867	FT All Share	2119.24	+3.93
Hong Kong	13846.60	+4.77	+0.0	13868.24	10204.87	3.171	New York	6962.40	-20.78
Frankfurt	3276.72	+38.35	+1.2	3276.72	2253.36	1.511	Tokyo	19021.56	+30.64

Source: FT Information

INTEREST RATES									
Short sterling	UK medium gvt	US long bond	Short sterling	UK medium gvt	US long bond	Short sterling	UK medium gvt	US long bond	Short sterling
8.44	7.15	6.7	8.44	7.15	6.7	8.44	7.15	6.7	8.44
8.38	7.04	6.5	8.38	7.04	6.5	8.38	7.04	6.5	8.38
8.02	6.84	6.4	8.02	6.84	6.4	8.02	6.84	6.4	8.02
8.28	6.94	6.5	8.28	6.94	6.5	8.28	6.94	6.5	8.28

CURRENCIES									
£/\$	£/DM	£/¥	£/\$	£/DM	£/¥	£/\$	£/DM	£/¥	£/\$
1.64	1.78	1.64	1.64	1.78	1.64	1.64	1.78	1.64	1.64
1.62	1.76	1.62	1.62	1.76	1.62	1.62	1.76	1.62	1.62
1.60	1.74	1.60	1.60	1.74	1.60	1.60	1.74	1.60	1.60

أخبار من الأسواق

Great British Success Story is a complacent myth



COMMENT

While Britain is still the country of choice for inward investment into Europe, its share of all inward investment has shrunk quite sharply during the 1990s, from one third to one fifth

In the Government's eyes, it is Britain's difference from our Continental neighbours that gives us a certain *je ne sais quoi* as far as inward investors are concerned and makes us the "enterprise centre of Europe". The opt-out from the Social Chapter, our deregulated jobs market, low costs and the English language - here in these islands foreign executives can do business and still have access to the Single Market.

Ministers have exploited the recession in the Continental economies and the struggle to restructure their economies to drum up evidence for the Great British Success Story. Why on earth would overseas companies want to invest in European failure, they have argued. Well, there you go. That's what politicians do at election time. The reality, unfortunately, is a rather less comforting one.

As any British-based multi-national knows, their Continental competitors are far from down and out. They are not the supposedly flabby and overweight spending partners in export markets that the Conservative rhetoric might imply. Furthermore, for all the economic problems on the other side of the Channel, our European partners are still far more productive and prosperous than Britain.

Figures from the UN yesterday further undermine this complacent myth. While Britain is still the country of choice for inward investment into Europe, its share of all inward investment has shrunk quite sharply during the 1990s from one third to one fifth. It is impossible to know what the precise causes of this

phenomenon might be but anecdotal evidence suggests that growing Euro-scepticism may have been a contributory factor.

Monetary union sharply divides the British business community. Big multi-nationals tend to be in favour, smaller companies against. However, even the bitterest opponents of British membership of monetary union have come to recognise that the hijacking of the political debate by a fringe of the Conservative Party has been damaging. There is no doubt that the most extreme Euro-sceptics in the Tory Party want to shift the battleground from joining the single currency to whether we should belong to the EU at all.

Pragmatic business people have at last started to tug against this dangerous tendency. If an Asian conglomerate wants low costs and flexibility, it can turn to eastern Europe. If it wants to be sure of access to the EU market, France and Germany now look like the safe bets. It might be too late to prevent permanent economic damage.

A far from perfect compromise for Boots

A great deal of soul searching, hand wringing and general angst must have gone into the decision at Boots on the management succession, for the chairman round there is Sir Michael Angus, he of both the Cadbury and Greenbury committees on corporate governance and executive pay. The

structure had to be just so, or he'd be accused of hypocrisy. As it is this is a less than perfect set of compromises.

Sir Michael stays on for a further year as non-executive chairman, after which Sir James Blythe steps up to become executive chairman. On the face of it, this is most un-Cadbury. The code ideally requires a split in the positions of chairman and chief executive. The distinction made by Boots between the position of executive chairman and that of chairman and chief executive is a fine one that most of us are going to have some difficulty in seeing.

None the less, the reasoning seems understandable enough. By the time Sir James takes on his new role, he'll only have two years left to retirement. Part of his intended function during this period seems to be to act as a kind of referee between the two managing directors as they fight it out for the top job. Like most compromises this is not a particularly satisfactory state of affairs. Three powerful egos have for the time being been appeased, but the structure established could hardly be regarded as a stable one.

Giordano passes the buck

How should Richard Giordano at British Gas be judged, having bowed out as executive chairman by announcing such horrendous results? Had he hung up the gloves

at the end of 1995, the picture would have looked a much better one, with the massive provisioning of 1993 working new life into the profit and loss account before the takeover-pay problem came fully home to roost.

Sadly for Mr Giordano, 1996 became a vintage year for the British Gas soap opera, packed with more nasty surprises than an omnibus episode of *Eastenders*. Some of them, such as the take-over pay disaster, were not of BG's recent making. But others were. The alarming drop in customer service standards suggests BG's top team took their eye off the ball at the worst possible moment. The 1993 provisions should have generated annual savings of £600m, yet last year's inflation-adjusted saving was just £436m.

Mr Giordano admits that the pace of change was too fast, but blames this on the industry regulator and the Government for moving too fast on competition. "That was a political decision," he complains. This will not wash. Top managers are not paid to be lionel lions a year to pass the buck. The real test for both Centrica and BG this year will be proving that the bad years and the massive restructuring charges are over for good.

What's in an old-fashioned name?

How refreshing to see the extraordinary RTZ CRA bucking the trend (towards abbreviation and returning to a sen-

blance of its original name - Rio Tinto. There's more than nostalgia behind this very welcome move, however. Apparently the company kept on getting confused, sometimes deliberately, with Ritz Crackers. Hard to believe, but true.

The Rio Tinto (wine coloured river) is in fact a river in Southern Spain, on the banks of which the company's original copper mines were located.

Flaunted on the London stock market in 1873, the mines were eventually sold to local interests in the 1950s and the money reinvested in Africa and America. There's not much chance of Rio Tinto returning to Spain but how much nicer the old name sounds than the letters.

Lamentably, most companies are still going the other way, the excuse usually being a wish to distance themselves from their "British" or "Imperial" origins, which these days are said to count against them in export markets.

Thus British Telecom, shortly to become Concert, is for the time being just BT. British Gas has become BG and Centrica. British Tyre and Rubber company long ago became BTR. And so on. In some cases the acronym might seem rather appropriate. MAM for Mercury Asset Management seems about right for a company headed by Carol Galley. As does FAD for Fine Art Developments. Most of the time, however, the good old-fashioned name does just nicely.

Abbey set to announce firm offer for ScotAm

Banking Correspondent

Abbey National intends to make a firm bid for Scottish Amicable today as part of its strategy of expanding its share of the life and pensions market.

"We think we will be able to put forward a very attractive set of propositions," said Lord Tugendhat, chairman of Abbey National. "A combination with Scottish Amicable would advance Abbey National's strategy of diversification and our aim of expanding further into life, pensions, investment and protection products."

The bank derives 40 per cent of its profits away from its traditional mortgages and savings base, but wants to increase that to 50 per cent. It bought Scottish Mutual, another life assurance group, five years ago. Lord Tugendhat said the bank's "record of managing a Scottish-based life office is a very good one".

If Abbey wins the bidding for Scottish Amicable, which has been in the market for some time, it would become the third-largest life company in Scotland.

Abbey bid £1.4bn for Scottish Amicable last month, derailed the insurer's plans to demutualise and eventually float on the stock market. But a bidding war was sparked when Prudential upped the stakes by topping Abbey's offer, and other potential bidders have emerged.



Embracing new markets: Lord Tugendhat, chairman of Abbey National (left), and Peter Birch, chief executive, want to shift the bank's base away from its traditional mortgages and savings business

Bristol & West's £1,100 windfalls

Banking Correspondent

Savers with less than two years standing at Bristol & West, as well as borrowers, will receive preference shares rather than cash, while savers who are under 18 years old will receive a statutory cash bonus.

Members will be sent voting forms on the merger, and the transfer document which gives full details of the terms of the deal, by 14 March.

Mr Burke, who earns a base salary of £200,000, was paid a

bonus of £80,000 last year. The building society announced pre-tax profits of £86.6m, an increase of 10.3 per cent compared with 1995.

Bristol & West has 1.1 million members and around 430,000 of them have had accounts for more than two years and as a result are due to be paid cash.

The exact payment for individual members will depend on the balance in accounts too

14 April 1996, the day before the merger was announced, and 25 June 1996. There will be a fixed cash payment of £500 each with the remainder made up of 6.5 per cent of the savers' balance.

Those who had less than £100 in their accounts on 14 April 1996, but who have held accounts at Bristol & West since 31 December 1994 will receive a flat cash distribution of £250 each.

Charlton Athletic, which plays in the First Division, said it planned to join the growing list of UK soccer clubs with a stock market listing. It will raise £5.5m with a placing and offer of shares at 76p to existing shareholders, season ticket holders and supporters. The offer will value the south-east London club at £17.4m. Proceeds will go to increasing the seated capacity of the club's Valley ground to 20,000. The nominated adviser and broker to the issue is Teather and Greenwood. The offer of 1.3 million shares to existing shareholders is fully underwritten by Richard Murray, and trading will begin on 21 March.

IN BRIEF

GUS strikes £868m deal with British Land

Great Universal Stores and British Land have reached agreement on forming a joint venture company which will own GUS's B&S investment property portfolio. The joint venture will own 982 properties, which are mainly freehold and long-leasehold. On completion GUS will have received £200m in cash for British Land's investment in the venture.

It will also have been issued £500m of senior debt by the company and have a £200m investment in its equity. The portfolio produced net rental income for GUS of £64m in the year to March 1996. Following the creation of the new joint venture, GUS will receive an income from its interest at least equivalent to 78 per cent of the income it currently receives for the first 12 months.

UK banks slow in preparing for euro

UK retail banks are significantly behind their continental competitors in preparing for the introduction of the euro, the single European currency, according to a survey by Coopers & Lybrand, the accountancy firm. "Based on the results of the survey, UK banks have a lot to do over the next five years," said David Sayer, partner in Coopers & Lybrand's retail banking consultancy.

The survey, conducted in conjunction with the European Financial Management and Marketing Association (EFMA), showed that the banks are placing a far greater emphasis on the implications for the practical conversion to the euro rather than on the strategic impact on retail banking activities.

In total, 22 banks from the UK, Germany, Belgium, the Netherlands and France participated in the survey, which represented 60-70 per cent of the retail banking markets in these countries. A third of the respondents are developing plans for conversion, with a further minority implementing plans already. Coopers and Lybrand said 14 per cent of them had not yet started to think about the possible strategic impact of the single European currency.

Islay malt distillery to reopen

Glenmorangie, the specialist malt whisky independent, has bought the mothballed Ardbeg distillery on Islay from Allied Domecq for £7m in cash. The purchase includes the distillery, surrounding land and stocks, which alone are worth over £5m. Allied Domecq also owns the better-known Laphroaig distillery on Islay and the bulk of the Ardbeg output has been used by Allied Domecq blends. Blending stocks are more than adequate and the distillery was mothballed last summer.

It will be recommissioned and should start producing again within six months. Glenmorangie's chairman Geoffrey Muddell said: "The reopening will create maybe a dozen jobs in the distillery itself and four times as many in other trades in the island which has a population of around 4,000."

Charlton football club to float

Charlton Athletic, which plays in the First Division, said it planned to join the growing list of UK soccer clubs with a stock market listing. It will raise £5.5m with a placing and offer of shares at 76p to existing shareholders, season ticket holders and supporters. The offer will value the south-east London club at £17.4m. Proceeds will go to increasing the seated capacity of the club's Valley ground to 20,000. The nominated adviser and broker to the issue is Teather and Greenwood. The offer of 1.3 million shares to existing shareholders is fully underwritten by Richard Murray, and trading will begin on 21 March.

PIA to regulate long-term care products

The Personal Investment Authority, the financial services watchdog, announced plans to regulate the sale of long term care (LTC) products once they are brought under the scope of the Financial Services Act by a future Government. The PIA's move will also bar insurers from selling so-called "budget" LTC cover, where they market a product created for them by a third party. Companies which want to sell an LTC product will have to create it. The regulator argued yesterday that if budgeting were allowed, it would damage the principle whereby salesmen are permitted only to sell their own company's products. This system, called polarisation, means independent financial advisers are the only ones who can select from across the industry's entire range.

Dutch bank's profits sharply up

Soaring securities markets helped ABN AMRO, which owns Hoare Govett in London, achieve a 26 per cent increase in 1996 net profits but the Dutch banking giant gave mixed signals about its prospects for 1997. ABN AMRO also said it planned a four-for-one share split and a buy-back of 1 per cent of its shares as part of a planned listing in New York. Net profit rose to 3.3bn guilders (£1bn) from 2.62bn guilders in 1995 and the dividend was raised to 4.2 guilders per share from 3.6. The annual results included the first disclosure of the bank's hidden reserves, which totalled 4.02bn guilders at the end of 1996. ABN AMRO set aside provisions of 340m guilders to adapt computer software for the advent of a single European currency in 1999 and the millennium, projects which it said would cost a total of 500m guilders over time.

Memory loss

Memory Corporation, the electronics components company, made a pre-tax loss of £4.5m last year, a decrease from the previous loss of £1.9 m. Bill Hipp, the chairman, said: "We have a clear strategy that is intended to decouple the company from the vagaries of commodity pricing and to focus our efforts on high added value proprietary solutions," he said. The loss per ordinary share was 7.49p against 3.31p. Memory's shares by 7p to 45.5p.

Stanford Rook reaches trials stage

Stanford Rook Holdings made a pre-tax loss of £965,460 against £873,954 the year before. Eric Boyle, the chairman, said the company was undertaking Phase II trials on the use of its new SRL172 product in the treatment of various cancers and is researching its use in the treatment of arthritis, circulatory disease and allergies. Initial marketing is expected to commence in 1998.

Tietmeyer underlines German commitment to a strong euro

Hans Tietmeyer, president of the Bundesbank, yesterday warned it was "premature and unjustified" to believe the euro would be a weak currency just because European currencies have depreciated against the dollar in recent months.

Speaking at a conference on monetary union, held by Goldman Sachs in Frankfurt, Mr Tietmeyer reiterated Germany's commitment to a strong stable currency. He said: "We in Germany are interested in the mark remaining a stable currency and in the euro being similarly stable and strong."

But he warned against irresponsible fiscal policy by member states, something that the Bundesbank believes is a serious threat to the strength and credibility of the new currency.

The fact that Mr Tietmeyer felt the need to defend the potential strength of the new currency in the light of the dollar's appreciation reflects the emerging doubts in Europe that the euro will be a strong currency at all - doubts that many analysts believe will prove unfounded in the long run.

Robert Lind of ABN AMRO said: "We suspect the euro will be a weak currency... people have switched from talking about a 'strong' euro, to talking about a 'stable' exchange rate. That is very significant."

Yvette Cooper reports on the debate over whether Europe's new currency will be weak or robust

According to Mr Tietmeyer, the recent depreciation of European currencies is not, in itself, a sign that the new euro will be a weak currency once established. "Current exchange rate relations doubtless better reflect the fundamental economic data on both sides of the Atlantic," he said.

As Julian Jessop from Nikko Europe explains: "Whether a currency is strong or weak depends a lot on the stage of the economic cycle." The US economy continues to grow strongly, while many European countries are suffering sluggish growth and high unemployment. Furthermore, the fact European governments are tightening fiscal policies to meet the Maastricht criteria means looser monetary policy is inevitable to stop European economies grinding to a halt.

But the more important question - and the greater fear for the Bundesbank - is whether the euro will continue to be weak across the economic cycle. According to David Mackie of JP Morgan, "currencies over the long term tend

to follow relative inflation performance". The strength of the mark over the last few decades reflects Germany's low inflation performance - something made possible not least by the Bundesbank's hawkish zeal.

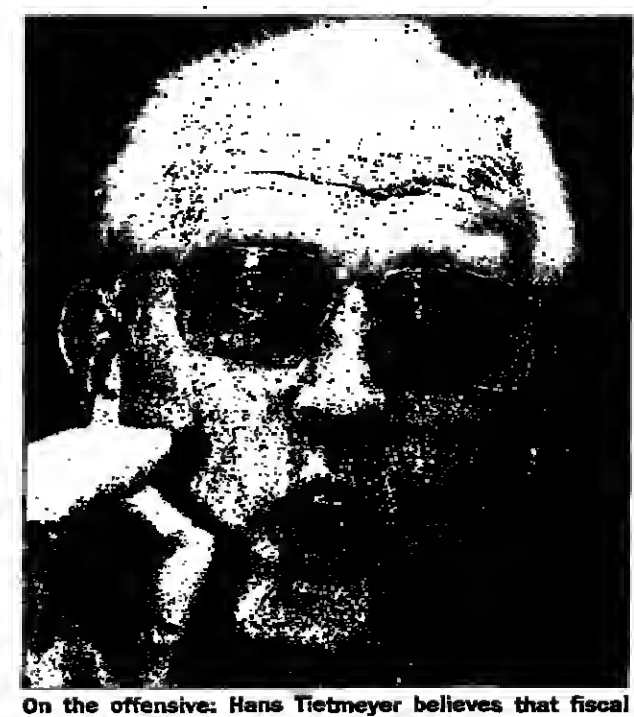
The European Central Bank has been heavily modelled on the Bundesbank. The Maastricht Treaty makes clear that its goal will be price stability, and that it must be free from political interference. Nevertheless, it will lack the Bundesbank's long record of credibility.

More important, many fear that the new ECB will not be as hawkish as the Bundesbank, especially if Italy and Spain join too. In a recent report for the Economist Intelligence Unit, David Curry writes: "There is a concern that if and when the membership widens, the governors of central banks from more inflation-prone countries could take a less robust line on limiting inflation."

But Mr Mackie believes such fears are overstated. He points to the fiercely hawkish record of other European central banks in recent years. "The Bank of Italy is behaving in an extraordinarily hawkish way - in some ways more so than the Bundesbank." He adds: "There has been a cultural change. No one believes there is any virtue in a burst of inflation."

Mr Tietmeyer's own concern is that European governments will weaken the euro zone with fiscal profligacy, no matter how well-intentioned the ECB. High borrowing by undisciplined member states could push up interest rates across Europe and weaken European economies. Mr Jessop said: "Other things being equal, the better the fiscal position in the long term, the stronger the currency will be. However, he added that a balance had to be struck; if fiscal policy was too tight, restricting governments' ability to cope with economic shocks, then the euro zone could be weaker, and the currency weaker too."

Mr Lind has a more deep-rooted reason to believe the euro might be weak, if Italy and Spain join. "Look at the underlying fundamentals. Italy and Spain will find it hard to cope with a strong currency - their labour markets are not efficient enough, and their corporate sector is not competitive enough." The strength and sustainability of the euro in the long term will depend on the speed with which member states



On the offensive: Hans Tietmeyer believes that fiscal irresponsibility could pose a serious threat

economies genuinely converge. According to some analysts, Italy and Spain cannot expect a sympathetic ride from France and Germany either. Mr Lind suggests the French and Germans are keen to ensure the exchange rates at which member states lock together in 1999 are favourable to the French and German economies. But Mr Mackie is sceptical about the extent to which countries will attempt competitive devaluations in the run up to EMU. "The Maastricht criteria make it too difficult, and every country has

no interest in a smooth, stable transition."

According to Mr Jessop, if these transitional problems are dealt with, and EMU succeeds, "the euro could become a very strong currency."

The sheer size of the euro zone will, according to Mr Jessop, make it an attractive alternative to the dollar as a reserve currency for countries holding foreign reserves.

And he suggested that "the euro could eventually become the new global reserve currency."

off rivals

Richard Giordano, chairman of British Gas, says the company's new provisions in its takeover of Centrica will be a "game-changer" where it has to defend its position. He says the company will be able to "take the market by storm" and "take the market by storm" and "take the market by storm".

ew delay it C&W's offspring

Wireless has been in a bit of a hurry to get its new C&W (Cable & Wireless) company up and running. The company is a joint venture between British Telecom and British Gas. The company is a joint venture between British Telecom and British Gas. The company is a joint venture between British Telecom and British Gas.

er US tie-up

British Telecom and British Gas have reached an agreement to form a joint venture company. The company is a joint venture between British Telecom and British Gas. The company is a joint venture between British Telecom and British Gas.

RZ tarnished by scandal at Sumitomo

Sumitomo Bank has been hit by a scandal involving a senior executive. The scandal involves a senior executive of Sumitomo Bank. The scandal involves a senior executive of Sumitomo Bank.

business

Lasmo raises payout by 60% as profits double

Chris Godsmark
Business Correspondent

Lasmo, the oil exploration and production group, yesterday played down speculation of a shift in its dividend policy despite raising the payout to shareholders by 60 per cent, the first increase since its ill-fated 1991 takeover of Ultramar.

Joe Darby, chief executive, also pledged to beef up Lasmo's borrowing levels to fund extra investment in locating and developing new wells this year. He made the comments as the company unveiled pre-tax profits of £67m for last year, almost double the £34m figure in 1995 and underlining the scale of the financial turnaround since the Ultramar acquisition. The news boosted Lasmo's share price, which gained 7p to 246p.

The full-year dividend was hiked from 1.25p to 2p, which will be paid out of foreign earnings to avoid advance corporation tax. Mr Darby said dividend payouts were important to Lasmo's strategy, apparently signalling a shift in the company's previous approach. However, he insisted this did not represent a transformation for the company.

"We're not talking about being a dividend stock here. We've improved the dividend from what was a very low level in response to the 1996 results but by what remains a very small amount. Shareholders should still look primarily to capital growth."

Mr Darby also outlined an increasingly aggressive stance to



Explorer: Chief executive Joe Darby said Lasmo would borrow more to spend on locating and developing new wells

wards finding new sources of oil. Investment in appraising exploration and production activities this year is likely to be £100m, up from £75m in 1995 and £54m the year before. However cash spent on developing wells towards the final production stage fell in 1996 by £94m to £153m, reflecting heavy outlays the previous year on large UK fields.

Lasmo said it was evaluating

expanding its activities in the vast oil fields to the west of Shetland and hinted that its interest in heavy oil fields in the Italian Apennine mountains was progressing beyond expectations. Mr Darby said Lasmo had become the first foreign group to secure a nil partnership in Kuwait. The new concern, called Khaleel Petroleum, was with a local family which he declined to name. However he

brushed off suggestions that political risks in Algeria made developing further lucrative fields there too dangerous. The group's net debts dropped from £489m to £346m, a level which Dick Smernoff, finance director, said was almost too low. In 1992 Lasmo was left struggling with borrowings of more than £1bn following the purchase of Ultramar. Mr Smernoff added: "We'd prob-

ably like to leverage the company up a bit. It just tells you how strong the balance sheet is at the moment."

About a third of the increase in profits came from the rise in oil prices last year. Lasmo's oil earned an average price in 1996 of \$18.72 a barrel, up from \$17.09 the year before. Production levels in 1996 rose by almost 7 per cent, to 175,000 barrels of oil per day.

BSM shares fall as chief executive goes

Clifford German

Shares in BSM Group, the market leader in driving schools, fell 9p to 164.5p yesterday after the group announced the departure of chief executive Paul Massey, who guided the group from a privately owned company through a buy-out to eventual flotation in 1993.

He was on a two-year contract and leaves with a £350,000 compensation package, worth about 18 months of total earnings. He remains available as a consultant but will pursue other interests.

He has been replaced by Richard Glover, previously the managing director and in charge of day-to-day running of the business. Mr Massey's departure is the result of a review of the roles of chief executive and managing director over the last three months, a spokesman said.

The announcement coincided with publication of results for the year to December, which saw profits before exceptional items rise by 5.8 per cent to £5.69m, much in line with market forecasts. After deducting for the compensation package, the pre-tax profit is down 2 per cent at £5.27m. Earnings per share are unchanged at 14p but the dividend has gone up 10 per cent to 7.59p.

Turnover rose by 15 per cent to £28m, of which just over 4 per cent came from acquisitions. The group now has 154 branches, an increase of six on the year, and 2,220 franchised instructors, an increase of 39. Market share has risen about 1 per cent to 16 per cent.

The group's business this year has been affected by the requirement for new drivers to complete written tests before the practical tests.

Liberty International set to hit takeover trail

Magnus Grimond

Liberty International, the financial services to property group chaired by Donald Gordon, said yesterday it was ready to use its £2.1bn capital base to expand its financial services businesses.

Earlier this year, the group, formerly known as Transatlantic Holdings, launched Liberty International Pensions as part of its "Millennium Project" to relaunch the group into the world financial services industry following the sale of its stake in Sun Life.

But David Fischel, managing director, yesterday played down the prospects of an imminent big purchase. "We could accommodate any sized acquisition, whether £1bn, £2bn or £100m, it doesn't really matter. But just because we have the

cash doesn't mean to say we are going to make an acquisition."

Even so, the shares dipped 12p to 480p yesterday as the market absorbed the possibility of a big buy.

Mr Fischel said the group was "always opportunistic" if the right things came up, but it would be sticking to its existing businesses of shopping centres, commercial property and financial services.

In 1995 the group received a net £400m from selling a half share in Sun Life, the UK insurer, to UAP of France, and Mr Fischel said it now had in effect an unguaranteed balance sheet.

His comments came as Liberty, which is controlled by Liberty Life Association, the South African insurer, reported a 7 per cent rise in underlying pre-tax profits to £100m for the year to

December, before taking account of the £110m profit on the Sun Life disposal. A final dividend of 8.75p raises the total for last year by 10 per cent to 16p. Net assets per share rose 13 per cent to 445p and would have been nearly 500p if the market value of its Capital Shopping Centres subsidiary was included, according to Liberty.

Mr Fischel said in financial services the group would not stray beyond its three core areas of pensions, unit trusts and offshore savings.

Earlier in the week, it was announced that Capital Group International, part of the big US fund management group of the same name, had paid £5m for a 10 per cent stake in Liberty International Pensions, the same size stake as that taken by the BT pension scheme last year.

£43m cure for Vaux headache

Tom Stevenson
City Editor

Sunderland-based regional brewer Vaux finally sold its St Andrews nursing home business for £43.2m yesterday, confirming the worst-kept secret in the care home business. The disposal to Highfield, a Scottish care home group, had been rumoured since before Christmas and the price achieved was in line with expectations.

Vaux has been trying to get out of nursing homes for some time, having abandoned the idea that running a care business was essentially similar to its existing hotel operations, only with nurses. Vaux's Swallow chain is well-regarded, but the company found running nursing homes rather more difficult than it expected when it started building up the chain in the early 1990s. The sale leaves it focused on its core booze and snoco operations, brewing and hotels.

Highfield will pay £33m in cash on completion, up to £52m in loan notes, repayable after five years, and an earn-out

of up to £3m, payable three years after completion. The earn-out is based on the number of beds in excess of 1,550 occupied at the end of that third year with the full £3m payable if occupancy reaches 1,650 beds. Currently St Andrews has about 1,470 beds in 38 care homes in the Midlands, north of England and Scotland.

Commenting on the sale, Sir Paul Nicholson, chairman, said: "This is an excellent result for our shareholders. We have achieved full value for St Andrews which will release resources for investment in our core businesses of brewing and pubs and hotels."

Despite its failure to capitalise on nursing homes, Vaux reported record profits last December, driven mainly by its successful Swallow operation. Profits of £34.8m in the year to September were 9 per cent higher after a 22 per cent rise in Swallow profits to £24m.

The company has struggled to shake off its image as a small regional brewer supplying a tired chain of tenanted pubs in a depressed area of the country.

Company Results

	Turnover £	Pre-tax £	EPS	Dividend
Asbury Holdings (p)	-	1.17m (1.03m)	58.5p (51.7p)	25.1p (21.7p)
B&B Group (p)	28.0m (24.3m)	5.27m (5.36m)	14p (14p)	7.59p (7.59p)
Bathurst Group (p)	-	0.13m (0.17m)	0.79p (0.96p)	0.7p (0.7p)
FB Group (p)	36.2m (36.4m)	0.25m (3.60m)	1.8p (15.5p)	0.7p (0.7p)
Industria (p)	5.57m (4.8m)	7.91m (7.21m)	21.2p (27.5p)	16p (14.5p)
Lex Services (p)	1.68m (1.68m)	51.4m (42.5m)	31.2p (27.5p)	16p (14.5p)
Liberty International (p)	22.1m (18.5m)	10.6m (8.5m)	27.82p (21p)	16p (14.5p)
Liberty Corp (p)	1.07m (0.45m)	-1.5m (-1.3m)	-7.49p (-3.31p)	-
Marsden (p)	19.57m (19.50m)	17.84m (16.88m)	18p (18.7p)	-
Pirella (p)	20.4m (19.4m)	10.5m (7.47m)	20.3p (16.4p)	8p (7p)
Quattro Group (p)	80.6m (86.5m)	7.81m (7.01m)	28.5p (24.4p)	8p (7.25p)
Redwood (p)	38.7m (36.7m)	10.8m (8.18m)	10.84p (8.86p)	2.80p (2.41p)
Standard Bank (p)	-	-0.97m (-0.87m)	-5.08p (-4.3p)	-
Westbury (p)	12.1m (10.2m)	17.1m (14.1m)	24.6p (16.5p)	2p (2p)

(p) = Profit (l) = Loss

THE INVESTMENT COLUMN

EDITED BY TOM STEVENSON

RTZ hammered by plunging prices and production snags

Last year was an inauspicious time to launch the marriage of the UK mining giant RTZ with its Australian associate CRA. Copper prices sank over a fifth in the wake of the Sumitomo copper scandal and Kennecott, the copper and gold mining group acquired from BP, continued to suffer gremlins in its new, state-of-the-art smelting facility at Bingham Canyon in the US.

Together, those two items decimated profits in the year to December, leaving them 15 per cent lower at \$1.1bn (£701m), or nearly a quarter down on the group's favoured basis, stripping out exceptional items. As well as the merger itself, the comparisons are further complicated by the group's decision to move to reporting in dollars rather than sterling. It is perhaps appropriate that the combined group should be wiping the slate clean by changing its name back to Rio Tinto.

RTZ certainly had its problems last year. Every 10 cents fall in the copper and aluminium price knocks \$100m and \$55m off group earnings, so the 29 cents average fall in the former last year and a 13 cents drop in the latter would inevitably be painful. But RTZ could hardly be blamed for the \$324m those two metals shaved from earnings.

More easily controllable were the continuing problems at Kennecott. Had it been running at full design capacity last year, earnings from the copper smelter would have been \$150m more than they actually were, RTZ said. It ran at under 50 per cent. Analysts are relatively reassured that the problem is over. However, work to upgrade the casting capability in the early summer will see the operation closed down for another six weeks.

Elsewhere, RTZ continues to show its class, with another 10 per cent rise in mined production volumes last year, building on the 7 per cent average annual increase maintained since 1989.

The group's gearing is now back on the way up again, rising from 16 to 22 per cent last year as capital expenditure is jacked up to between \$1.5bn and \$2bn over the next few years. Crucial to the future will be Indonesia. At its Grasberg

unit, a \$960m expansion will see production there rise from 118,000 tonnes of ore to nearly 200,000 tonnes by the middle of next year. So while the group's copper output is likely to be flat this year, UBS is forecasting an 11 per cent increase in 1999 on the back of this extension. The icing on that cake will be the likelihood of more discoveries.

UBS are leaving their earnings figure for this year unchanged at \$1.25bn, putting the shares, up 5.5p to 849p, on a forward multiple of 18. That blue-chip rating is fully deserved. Hold.

Lex moves up a gear

It has been a difficult transition for Lex from flamboyant Sir Trevor Chinn's US electronics to Volvo imports conglomerate of the early 1990s to a more focused, UK-based motor group with an earnest, numbers man at the helm. Less fun perhaps, but ultimately what the City likes.

Lex's shares, which traded at 554p three years ago have taken a pasting in the meantime but yesterday's 12p rise to 343.5p underlined a palpable sense of relief that the company has finally pointed itself in a sensible direction. Profits for the year to December were impressive enough at £51.4m, up from £42.2m.

Earnings per share of 31.3p were 14 per cent higher than 1995's 27.5p and a final dividend of 9.6p made a full-year total of 16p, a 1p rise.

But it is the strategic direction that catches the eye at new-model Lex, with its alarmingly youthful new chief executive Andrew Harrison dividing its businesses into those that are firing on four cylinders and need building, those in dire need of a service and a handful of new operations itching to tear up their L-plates and try their luck on the corporate motorway.

Those in the first group include the leasing arm, Britain's largest, which still appears to have plenty of growth. The Hyundai importership has got over initial teething problems; Multipart has good skills which

could be used elsewhere in the group and Lex's position in lift trucks is strong.

The challenges lie in the other two areas, however. Car retailing's returns are below its peers and, by the company's own admission, inadequate. The truck market is also over-supplied and in need of attention. The new businesses - autocentres, bodycentres and used car sales - need to grow but the City welcomed the suggestion yesterday that Mr Harrison will only do so when he is convinced the formulas are right.

On the basis of Panmure Gordon's forecast of pre-tax profits this year of £58.5m and £66.8m next time, the shares trade on a prospective price/earnings ratio of nine. Lex is never going to trade on the same sort of rating as its more flexible, entrepreneurial peers like Reg Vardy, but it looks cheap none the less. Good value.

A hat-trick for Wembley

Wembley grabbed a hat-trick yesterday with its first dividend since 1992, a return to the black at the full year and better-than-expected profits. Not bad for company on the brink of extinction a few years ago.

The shares perked up 9.5p to 405p though it is worth remembering that they are still a tenth of their value in 1992.

Overseeing Wembley's recent rehabilitation has been Claes Hultman, the Eurotherm chief executive who was recently reinstated after a boardroom bust-up resulted in his temporary ousting. The massive re-financing of 1995 has been followed by the re-negotiation of the company's bank agreements on more favourable terms. All this has removed the drag of the group structure from the operating activities which have delivered improved profits for the past four years.

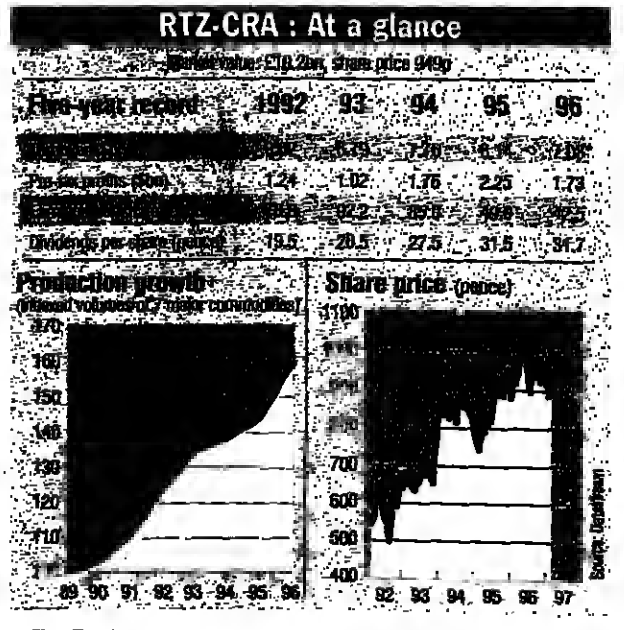
Yesterday's figures continued the good news. Pre-tax profits of £17m compared with the previous year's £8m loss. The Wembley complex, which still accounts for half group profits performed strongly as did the US track venues.

Wembley hosted 29 events last year including 22 sporting fixtures and concerts by The Eagles and Tina Turner. U2 are already pencilled in for this year.

The only problem areas was UK greyhound tracks where performance is still being hampered by competition from the National Lottery.

Wembley's nomination as the preferred location for the National Stadium will help the company though the financial details of the deal have yet to be sorted out.

Wembley has been a huge disappointment for many investors before but with strong cash flow and good management it looks in better shape than for some time. On 1997 forecasts of £27m the shares trade on a forward rating of 11 which is reasonable value.



Siebe withdraws from bid contest for Whessoe

Magnus Grimond

Whessoe saw its share price drop 9p to 175p yesterday after Siebe, the engineering group, withdrew its bid for the instrumentation and controls group, leaving the way clear for a consortium which mounted a £52.6m counter offer on Wednesday. The rival bidders, Seatex Garex of Norway and Endress & Hauser of Switzerland, quickly moved into the market to build on a 10.6 per cent stake acquired from three of Whessoe's biggest institutional shareholders and ended the day with 25.6 per cent of their target. Last night, they were waiting for a recommendation from their 175p a share offer by the Whessoe board.

The market had been expecting Siebe to raise its 155p share bid, which valued Whessoe at £46m, but Allen Yurko, chief executive, said yesterday: "We do not believe that a significantly increased offer would

be in the best interests of Siebe shareholders and the board has therefore decided not to increase the price that it is prepared to pay for Whessoe." He said that its offer was based on sound industrial logic and the "clear synergy opportunities" provided by integrating Whessoe's instrumentation lines with Siebe's control systems division.

He said the group applied "strict criteria" when looking at potential acquisitions, particularly with regard to product technology, growth potential and synergy opportunities. "Valuation, however, based on current trading conditions remains the overriding issue when considering an acquisition," he added.

Hans Olaf Jansen, chief executive of Seatex, which is changing its name to Navia next month, last night urged Whessoe shareholders to accept the consortium's offer. He said: "The Whessoe business fits perfectly with Navia's opera-

tions in Norway and those of Endress & Hauser in the United States. We are pleased Siebe recognises that Whessoe has greater strategic value to us."

Seatex is based in Trondheim in Norway. It is hoping to merge Whessoe's Autronica marine automation and fire detection business, also based in Trondheim, with its own operations, which include air traffic control-related systems and shipboard navigation equipment.

Whessoe's instrumentation operations, which include the measurement and monitoring of large storage tanks, are seen as complementary with Endress, a private Swiss company.

Seatex was originally rebuffed after approaching the British group about Autronica at the end of 1995. It returned with Endress earlier this month, but was gazzumped by the announcement of Siebe's offer.

Siebe's shares ended 3.5p ahead at 968.5p on relief that it would not be raising its



Steering a new partnership: Phil Wragg, group managing director of Partco and Peter Redfern, chief executive

Partco gears up to buy Dana Distribution

Clifford German

Partco Group, the UK's largest independent distributor of car and lorry parts, has bought Dana Distribution Europe, which trades in the UK as Brown Brothers, one of the leading distributors of paint and finishing supplies to the UK bodyshop market. The purchase price is £103m in cash, including the repayment of £11m of net debt.

The deal is subject to shareholder approval next month and is being partly funded by a one-for-two rights issue of 24 million shares at 300p each to raise

£68.8m. The balance will come from cash and bank borrowings. The deal will virtually double Partco's business, diversify its product range and help it match the trend in increasing consolidation in the UK bodyshop market. The combined group will have about 4 per cent of a UK market worth around £2.4bn.

Partco had 348 branches and Brown Brothers 134 but in a business where speed of delivery is crucial their locations were largely complementary and redundancies were unlikely, a spokesman said yesterday.

The acquisition is expected to be roughly earnings-neutral in the current year before the effect of restructuring charges, and to enhance earnings per share materially in 1998.

The acquisition would give Partco market leadership in the sale and distribution of paint and finishing supplies where it currently had only a limited presence. Partco's chairman, Gordon Yardley, said yesterday. About 88 per cent of DDE's turnover is in the UK where it owns 134 branches. The business made an operating profit of £10.9m last year on a turnover of £186m.

مكتبة من المجلات

business

Services sector surges ahead

Diane Coyle
Economics Editor

Turnover in services surged last year, according to the first detailed figures on the sector published by the Office for National Statistics. Architectural and engineering consultancy, private eyes and security services, and car dealerships were among the fastest-growing services in the 12 months to September.

The statistics are the result of an initiative launched by the then-Chancellor of the Exchequer, Norman Lamont, to improve the quality of economic statistics. The scale of the late 1980s boom had taken policymakers by surprise partly be-

cause information on services – which make up two-thirds of the economy – was so limited.

The Bank of England has been pressing since last May for the collection of more statistics on the sector because of fears that the emphasis on manufacturing industry in the monthly economic statistics is as misplaced now as it was at the end of the 1980s.

In its Inflation Report, the Bank pointed out that the only timely monthly figures on the bulk of the economy were the official retail sales statistics and a CBI survey of retailing, wholesaling and motor traders.

Previously published figures for the total service sector show

that it grew 3.4 per cent in real terms in the year to December, twice the rate of growth of industrial production.

So far the additional figures are limited to quarterly turnover statistics for only a proportion of total services. They do not break down the sales growth into separate price and activity increases. The ONS has calculated the figures back to the start of 1995.

There were marked increases in turnover in a wide range of businesses in the year to the third quarter of 1996. For example, sales of new and used cars, car rental, restaurant and campsite turnover, and film and video activities were all

sharply higher compared with the same quarter a year earlier. So was turnover in "other" services, including dry cleaning, hair dressing and funerals.

There was also strong growth in business services such as law, accountancy, tax and management consultancy and market research.

Computer activities, from software consultancy and data processing to maintenance and repair, grew at an equally fast pace. The industry – which excludes software sales – was worth nearly £15bn in 1995.

However, advertising turnover, and sales by travel agencies and tour operators fell during the year.

Pannell Kerr Forster survives being the butt of many a joke

PEOPLE & BUSINESS



Naked capitalism: But chartered accountants do it with their clothes on

Health and Efficiency, the magazine for nativists that has tastefully championed the naked form for over 90 years, has been sold by receivers to a new company after going bust last November.

Fred Satow and Mary Walsh of accountants Pannell Kerr Forster kept the magazine going while new buyers were found. A specially formed company titled New Freedom Publishing, backed by Arthur Walker of Chronicle Publications, has bought the firm.

So did the receivers visit any nudist colonies while they were running the magazine? "No, we kept our clothes on at all times. We're chartered accountants," declared Richard Knight, a senior administrator on the PKF team, with impeccable logic.

Apparently the previous publishers, Pannell, lost their shirts on a diversification into magazines about cats and dogs. Mr Walker is majority shareholder of the new company, with editor Helen Ludbrook also a shareholder.

That's naked capitalism for you.

Speaking of clothes, or rather lack of them, on Friday 14 March the organisers of Comic Relief want everyone in the City to join in with "Dress down for Red Nose Day".

Prepare yourselves for Bank of England Governor Eddie George in Bermuda shorts. Hugh Stephenson of Mercury Asset Management in ripped jeans and Gavin Casey of the London Stock Exchange in a body stocking. All three institutions have promised to dress down. The escapade even has the Lord Mayor of London's approval, so presumably Roger Cook will be leaving the emine at home for the day.

Each employee of participating companies will be asked to donate £1 or more and the total raised will be matched by the company. Comic Relief celebrities will be in the City's Broadgate centre at lunchtime to personally receive the money.

Richard Roys of MAM is spreading this part of the initiative. Models from top agencies will be at the main commuter stations to encourage dressing down, and there is a televised fun run sponsored by Renters for the more athletic of you.

For an entry form for the latter, fax your name, address, company name and contact details to 0171-542 2151.

I hear David Arundell, who moved from Emap to be Lord Hollick's deputy at United News & Media this week, is still turning out to play league cricket at the age of 50. To be playing any form of representative cricket at half century is admirable. To combine it with his workload is something else.

Salomon Brothers are now asking everyone entering their offices at London's Victoria for "proof of identity".

A colleague of mine entered Salomon's reception for an appointment this week,

and despite the fact the receptionists had his name, was asked to provide "id – a credit card – something like that".

On the other hand, this being an American investment bank, perhaps they just like checking peoples' credit worthiness before they come in.

Beware the 17-day fortnight in Libya, warns Jonathan Biles, chief executive of WorldCover Direct.

Mr Biles wants to "lift the lid on the bizarre world of travel insurance geography".

He says: "Some participants in this market have peculiar ideas about geography and time. For example, many people do not realise that Lunn Poly thinks the Gambia is in Europe – rather worrying for one of the UK's largest travel agents".

He goes on to say: "It is not just travel agents who seem to be confused... buy two-weeks travel insurance from one high street bank and they seem to think that means 17 days."

Mr Biles adds: "Trying to lure customers into buying Europe-only travel insurance products when Europe is defined so bizarrely can potentially be highly dangerous – most people, like me, wouldn't think that Libya was a European country..."

"People buying travel insurance should be careful not to rely on the geography described in an atlas."

An American is taking the helm at Albright & Wilson, the international chemicals company floated off by the US conglomerate Tenneco some two years ago.

Paul Rocheleau, 43, currently president of the company's US operations, will be relocating to the UK when he replaces Dr Robin Paul as chief executive of Albright & Wilson in July. The Midlands-based group is famous for putting the "tang" into Pepsi and the foam in detergents.

John Willcock

A warning from Albert Fisher to chill the cockles of your heart



Albert Fisher, the food producer, warned that cockle bed devastation (above) was set to hit the company's first-half results to the end of February. The devastation of North Sea cockle beds last year "proved to be so severe that the autumn 1996 harvest was seriously restricted", a spokesman said. However, this was partially offset, and by a much improved fresh mussel market, while the remainder

of the seafood division has made good progress and is in line with budget. The European food processing division is performing in line with budget, although in the European fresh produce division, which earns the greater part of its profits in the second half of the financial year, the vegetable markets "remain difficult". North American results are benefiting from cost reductions.

Foreign Exchange Rates

Country	Spot	1 month	3 months	Spot	1 month	3 months
US	1.6271	10.8	31.28	1.000	1.000	1.000
Canada	2.2223	54.49	164.18	0.6961	0.6961	0.6961
Germany	2.9492	69.61	203.85	0.6961	0.6961	0.6961
France	2.9273	217.88	640.08	0.6961	0.6961	0.6961
Italy	2.7333	20.35	60.85	0.6961	0.6961	0.6961
Japan	96.89	59.81	261.27	0.6961	0.6961	0.6961
ECU	1.4164	21.50	70.67	0.6961	0.6961	0.6961
Belgium	50.703	19.10	62.36	0.6961	0.6961	0.6961
Denmark	10.486	222.77	655.56	0.6961	0.6961	0.6961
Netherlands	30.910	82.74	240.22	0.6961	0.6961	0.6961
Ireland	10.500	3.2	9.68	0.6961	0.6961	0.6961
Norway	10.945	100.80	380.270	0.6961	0.6961	0.6961
Spain	28.312	5.4	16.0	0.6961	0.6961	0.6961
Sweden	12.070	220.30	690.80	0.6961	0.6961	0.6961
Switzerland	24.053	85.76	239.22	0.6961	0.6961	0.6961
Australia	2.0084	5.1	16.8	0.6961	0.6961	0.6961
Hong Kong	42.588	85.32	260.38	0.6961	0.6961	0.6961
India	23.058	0.0	0.0	0.6961	0.6961	0.6961
New Zealand	23.058	20.23	62.71	0.6961	0.6961	0.6961
Saudi Arabia	6.000	0.0	0.0	0.6961	0.6961	0.6961
Singapore	2.393	0.0	0.0	0.6961	0.6961	0.6961

Other Spot Rates

Country	Sterling	Dollar	Country	Sterling	Dollar
Argentina	16273	0.0989	Hong Kong	42.588	85.32
Austria	13.400	0.1091	India	23.058	0.0
Brazil	1.712	0.1091	Indonesia	1.550	0.1091
Canada	1.3499	0.1091	Japan	96.89	59.81
China	5.530	0.1091	Malaysia	3.400	0.1091
France	2.9273	0.1091	Philippines	42.938	0.1091
Germany	2.9492	0.1091	Portugal	20.35	0.1091
Greece	430.34	0.1091	Romania	1.550	0.1091
India	23.058	0.1091	Saudi Arabia	6.000	0.1091
Indonesia	1.550	0.1091	South Africa	4.425	0.1091
Italy	2.9273	0.1091	Switzerland	24.053	0.1091
Japan	96.89	0.1091	Taiwan	44.824	0.1091
Malaysia	3.400	0.1091	UK	58.94	0.1091

Forward rates quoted high to low are at a discount; subtract from spot rate to add to spot rate.
 *Dollar rates quoted as cents per pound.
 For the latest foreign exchange rates call 0801 323 3033.
 Calls cost 50p per minute (day rate) 45p other times.

Interest Rates

Country	Rate	Country	Rate	Country	Rate
UK	6.00%	Germany	5.50%	US	6.75%
France	5.50%	Denmark	4.50%	Belgium	5.00%
Italy	3.5%	Spain	4.75%	Canada	5.25%
Japan	5.00%	Sweden	5.00%	Switzerland	3.00%
Netherlands	2.70%	Denmark	3.25%	Repos (Auss)	4.00%
				Lombard	4.25%

Bond Yields

Country	5yr	10yr	15yr	20yr	Country	5yr	10yr	15yr	20yr
UK	6.25%	6.5%	6.75%	7.0%	Netherlands	5.75%	6.0%	6.25%	6.5%
US	6.25%	6.5%	6.75%	7.0%	Spain	7.25%	7.5%	7.75%	8.0%
France	6.0%	6.25%	6.5%	6.75%	Italy	7.25%	7.5%	7.75%	8.0%
Germany	6.0%	6.25%	6.5%	6.75%	Sweden	6.0%	6.25%	6.5%	6.75%
Japan	6.0%	6.25%	6.5%	6.75%	Switzerland	3.0%	3.25%	3.5%	3.75%
Australia	6.0%	6.25%	6.5%	6.75%	Belgium	5.0%	5.25%	5.5%	5.75%
Canada	5.25%	5.5%	5.75%	6.0%	Denmark	4.5%	4.75%	5.0%	5.25%

Money Market Rates

Country	Overnight	7 Day	1 Month	3 Months	6 Months	1 Year
UK	5.5%	6.0%	6.5%	7.0%	7.5%	8.0%
France	5.5%	6.0%	6.5%	7.0%	7.5%	8.0%
Germany	5.5%	6.0%	6.5%	7.0%	7.5%	8.0%
Japan	5.5%	6.0%	6.5%	7.0%	7.5%	8.0%
US	5.5%	6.0%	6.5%	7.0%	7.5%	8.0%

Tourist Rates

Country	Rate	Country	Rate	Country	Rate
UK	1.000	France	6.500	US	1.000
Germany	2.000	Denmark	10.486	Canada	1.3499
Italy	2.9273	Spain	28.312	Japan	96.89
Sweden	12.070	Belgium	50.703	Switzerland	24.053
Netherlands	30.910	Denmark	10.486	Belgium	50.703
France	2.9273	Spain	28.312	Japan	96.89
Sweden	12.070	Belgium	50.703	Switzerland	24.053
Netherlands	30.910	Denmark	10.486	Belgium	50.703

Life Financial Futures

Contract	Settlement price	High/Low	Open	Close
Long UK	10.71	10.71	10.71	10.71
Short UK	10.71	10.71	10.71	10.71
Long US	10.71	10.71	10.71	10.71
Short US	10.71	10.71	10.71	10.71
Long Japan	10.71	10.71	10.71	10.71
Short Japan	10.71	10.71	10.71	10.71
Long Germany	10.71	10.71	10.71	10.71
Short Germany	10.71	10.71	10.71	10.71
Long France	10.71	10.71	10.71	10.71
Short France	10.71	10.71	10.71	10.71
Long Italy	10.71	10.71	10.71	10.71
Short Italy	10.71	10.71	10.71	10.71
Long Spain	10.71	10.71	10.71	10.71
Short Spain	10.71	10.71	10.71	10.71
Long Sweden	10.71	10.71	10.71	10.71
Short Sweden	10.71	10.71	10.71	10.71
Long Switzerland	10.71	10.71	10.71	10.71
Short Switzerland	10.71	10.71	10.71	10.71

Life FTSE Index Option

Contract	Settlement price	High/Low	Open	Close
Long UK	10.71	10.71	10.71	10.71
Short UK	10.71	10.71	10.71	10.71
Long US	10.71	10.71	10.71	10.71
Short US	10.71	10.71	10.71	10.71
Long Japan	10.71	10.71	10.71	10.71
Short Japan	10.71	10.71	10.71	10.71
Long Germany	10.71	10.71	10.71	10.71
Short Germany	10.71	10.71	10.71	10.71
Long France	10.71	10.71	10.71	10.71
Short France	10.71	10.71	10.71	10.71
Long Italy	10.71	10.71	10.71	10.71
Short Italy	10.71	10.71	10.71	10.71
Long Spain	10.71	10.71	10.71	10.71
Short Spain	10.71	10.71	10.71	10.71
Long Sweden	10.71	10.71	10.71	10.71
Short Sweden	10.71	10.71	10.71	10.71
Long Switzerland	10.71	10.71	10.71	10.71
Short Switzerland	10.71	10.71	10.71	10.71

Energy

Contract	Settlement price	High/Low	Open	Close
Long UK	10.71	10.71	10.71	10.71
Short UK	10.71	10.71	10.71	10.71
Long US	10.71	10.71	10.71	10.71
Short US	10.71	10.71	10.71	10.71
Long Japan	10.71	10.71	10.71	10.71
Short Japan	10.71	10.71	10.71	10.71
Long Germany	10.71	10.71	10.71	10.71
Short Germany	10.71	10.71	10.71	10.71
Long France	10.71	10.71	10.71	10.71
Short France	10.71	10.71	10.71	10.71
Long Italy	10.71	10.71	10.71	10.71
Short Italy	10.71	10.71	10.71	10.71
Long Spain	10.71	10.71	10.71	10.71
Short Spain	10.71	10.71	10.71	10.71
Long Sweden	10.71	10.71	10.71	10.71
Short Sweden	10.71	10.71	10.71	10.71
Long Switzerland	10.71	10.71	10.71	10.71
Short Switzerland	10.71	10.71	10.71	10.71

Commodity Indices

Commodity Prices		GSCI Indices					
	Base date	± Spot	% Chg Day	31 Dec	% Chg YTD	Year ago	% Chg Yr
Index	1970=100	1975	+0.88	215.25	-0.81	183.72	-5.50
Agricultural	1970=100	247.25	+0.04	231.23	+0.59	228.54	+0.99
Energy	1985=100	87.43	+0.32	88.86	-2.46	86.30	-1.25
Industrial Metals	1977=100	293.86	+1.48	327.79	+0.40	314.48	+0.71
Investment	1970=100	165.53	+0.51	170.03	-2.93	160.18	+3.35
Precious Metals	1973=100	454.54	-0.0	483.54	+1.84	506.48	-10.21

sport

The romance, the violence, Le Crunch



If the build-up to an England-Scotland match is "jarring", to quote Jack Rowell, and preparations for Ireland leave the players wondering whether they will still be in possession of all four limbs come Saturday night, where does that leave the annual set-to with the French?

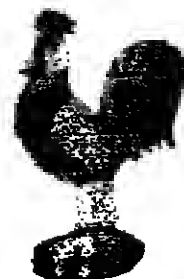
Off the scale, that's where. Soaked in history and romance it may be, but the Five Nations Championship still remains secondary in importance to its component parts. Each individual encounter generates and thrives within

its own unique atmosphere and Le Crunch, as this particular match always seems to be labelled these days, is way out there on its own.

It took France 17 attempts to register their first victory over the English and when it finally came to pass in Paris exactly 70 years ago, the 3-0 scoreline was more prosaic than poetic. Since then, the pendulum of superiority has swung back and forth with compelling unpredictability. Yet the cataclysmic nature of the fixture has

become fully apparent only in the last quarter of a century, from the final match at Stade Colombes when the French chalked up a record victory over Les Rois, through the unforgiving Fouroux era of the 1970s and the muscular English dominance of the early 1990s and into the new age of nip-and-tuck.

Chris Hewett recalls 25 years of epic confrontation through the eyes of some of its most celebrated combatants.



Jean-Claude Skrela, now the French coach, comes under English pressure

Tight five hit the right spot

France 13
England 17
Parc des Princes,
2 February 1980

Six victories over France in two decades and barely a sniff of success in Paris since 1964. When Bill Beaumont's strong, single-minded but scarcely tested side pitched up at the Parc for the second match in what would turn out to be a Grand Slam campaign, few outside the confines of the England dressing-room were able to see any further than the then traditional home victory, even though the Tricolores had gone under in Cardiff a fortnight previously.

Peter Wheeler knew better. The England hooker, 18 caps into a magnificent international career, suspected that, not for the first time and certainly not for the last, the French had got it wrong in selection. "I can remember thinking that they'd done the usual, by which I mean that they'd reacted to a defeat by tinkering around positionally and weakened themselves in the process. And when we saw the team-sheet, the evidence was there. There was all sorts of nonsense going on."

Indeed, the French selectors moved Alain Maleig from No. 8, where he had played at the Arms Park, into the second row. There were debuts in every row of the scrum as well as at full-back and the English tight five took full advantage, setting up tries for John Carleton and Nick Preston and two drop goal opportunities for John Horton.



Bill Beaumont (right) in accord with Jean-Pierre Rives

"The whole game plan was based around our pack which, I have to say, was fairly mature. We had some outstanding forwards, most of whom had been around for years but, because our own selection had not been too bright, had not been given the opportunity of playing together," Wheeler recalls.

"It was a hard game: Philippe Dintans, one of the best hookers I ever confronted, was brought in for the afternoon and that certainly made life awkward. But Bill had grown into the captaincy and was a superb motivator by then and our control was spot on."

Scorers: France: Tries: J. Carleton, J.P. Rives; Conversion: A. Caussade; Penalty: A. Caussade.
England: Tries: J. Carleton, N. Preston; Penalty: W. Hare; Drop Goals: J. Horton 2.



The mustachioed Gareth Chilcott profited from self-control in the ruck

Sweet taste of success for Chilcott

England 11
France 0
Twickenham,
4 March 1989

Gareth Chilcott was always blessed with a graphic turn of phrase - it matched his approach to the game - so perhaps it is best to let Bath's folk-hero prop tell the story.

"At that time, the French had the thumbprint on us. We would go to Paris on a nice spring day, Blanco would fancy it, end of story. But things were beginning to look up; the two previous encounters had been close-run things and we felt that if we could really apply ourselves up front, show concrete discipline - not easy for one or two of us, I'll grant you - and control the ball, we could take them."

"Sure enough, the French forwards showed signs of frustration pretty early and started dishing it out. There was all sorts going on but we soaked it up, got a lucky break in the first half when Will Carling caught their defence flat-footed after a three-quarter move of ours went wrong and

Andy Robinson tied it up late when we stuck it up our jumpers and worked him over from close range. What pleased me more than anything, though, was that we shut them out, kept them pointless."

"We scrummaged really well that day and rocked them back all afternoon. I was up against Pascal Oudarts, who had a bit of the nitty-gritty about him, while on the other side it was Paul Rendall against Portolan. They'd left out Garuet, a real hard case, because they thought Portolan could do more around the field but as soon as they started struggling in the tight, Portolan discovered a sudden injury and Garuet came trundling on. Paul was fairly depressed about that."

"There was plenty happening at every ruck, maul, line-out and scrum; in these days, you couldn't depend on the touch judges intervening or umpires different camera angles to warn off the hit men. They had me down as a volatile player - rightly so, I suppose - but I was determined not to retaliate. How did I feel at the end? Tired, but incredibly satisfied."

Scorers: England: Tries: W. Carling, A. Robinson; Penalty: R. Anderson.

English pride humbled by tunnel vision

France 37
England 12
Stade Colombes,
26 February 1972

Pierre Villepreux fondly describes it as "un rugby de rêve", the rugby of dreams, and the Englishmen who suffered untold nightmares at the hands of Walter Spanghero's exquisite French side left Paris in the fervent hope that they would never again be subjected to such torture on the field of Colombes. They were granted that much, for this was the last international played at the famous old stadium, but there was no forgetting the extent of the humiliation.

France scored six tries in what remains their most emphatic victory over England and at the time, the indignity seemed even more wrenching than it does today. Never had England conceded so many points in a full international and only once had they lost by such a margin - and that had been 67 years earlier in 1905. It is little wonder that Villepreux, the French full-back, recalls the occasion with a smile.

"On the psychological level it was ex-

tremely interesting because the players themselves had made a conscious decision to play totally spectacular running rugby; everything was based on attack, on running the ball and keeping it in the hand. Neither team could win the championship, so there was no pressure on us to get a result. We felt free to try to produce the rugby of which we were capable."

"I clearly remember the expression we used before running on to the field: 'We attack from the tunnel'. There was a tunnel at Colombes and you emerged from behind the dead-ball line at one end. That was our image for the day and it was a game in which the result was less important than the way we played."

Jo Moss, Jean-Claude Skrela, Max Barreau and Walter all had the same conception: quality, not quantity. As it happened, we won well, but it could have gone terribly wrong. It was just that we didn't want to leave the field saying to ourselves: 'We didn't dare'."

Scorers: France: Tries: A. Dupont 2, J.P. Villepreux, J.P. Lue, J. Skrela; Conversion: P. Villepreux; Penalty: P. Villepreux.
England: Try: M. Bost; Conversion: A. Oke; Penalties: A. Oke 2.

Blanco finds genius beaten by the boot

England 21
France 19
Twickenham,
16 March 1991

Whisper it quietly and do not, on any account, let this slip to Brian Moore. The Grand Slam shoot-out of 1991 may have been an English triumph, a day when Rob and Rory and Teaghey and Deano and the Pibull himself erased the memory of the Slow Walk at Murrayfield and brought home the bacon, but it was something else too. It was a day when anyone with a heart felt sorry for the French. Yes, sorry.

Go on, admit it. They were desperately hard done by. Inspired gloriously from the back by the great Serge Blanco on his last visit to Twickenham, the visitors outscored England by three tries to one and would, under today's scoring values, have snatched a draw and, on points difference, the championship as well.

Besides, Philippe Saint-André's try - The Try - was worthy of winning any championship you care to name. "I think it just summed up the French attitude on the day," says Blanco, who generated the whole wonderful thing from beneath his own posts. "We knew that for several seasons England had developed into a more and more dangerous side, that they were strong defensively and that there was no point in trying to challenge them purely on the physical level. Instead of trying to batter down the wall, we decided to run round them."

"England missed a penalty attempt. Pierre Berbizier fielded the ball behind the goal-line and I called for it. I made as if to touch down but saw that the English hadn't followed up the kick, so I took off." Lafond, Sella and Camberabero all worked the



Serge Blanco slips away from the clutches of Mike Teaghey

right touchline and when Saint-André gathered a delicate cross-kick to score at the posts, the whole of Twickenham knew they had seen genius made flesh.

"The fact that it was my last game at Twickenham never crossed my mind, even when I ran out," Blanco says. "People were predicting that the English would eat us alive, so I was more concerned with proving the contrary. We had a deep-seated conviction that we would remain true to our intuition. But for Simon Hodgkinson's kicking, that intuition would have proved very sound indeed."

Scorers: England: Try: R. Underwood; Conversion: S. Hodgkinson; Penalties: S. Hodgkinson 4; Drop Goals: R. Underwood.
France: Tries: P. Saint-André, D. Camberabero, F. Mearns; Conversion: D. Camberabero 2; Penalties: D. Camberabero.

Heslop draws the fire of France

France 10
England 19
Parc des Princes,
19 October 1991

"Fiery," says Paul Ackford, five and a half years on. "Very fiery." And in truth, the World Cup quarter-final collision between two nations almost perfectly matched in all but attitude was as blood-curdling as rugby gets.

The violent images are branded on the memory: the early targeting of Serge Blanco, the excesses of Eric Champ, Nigel Heslop's late tackle on Blanco and summary justice dispensed in a flurry of fists. But what a match, all the same. Perhaps the finest England performance in 20 years was forced from them by the brilliance of the French, a heady brew of iron discipline and commitment overcoming all manner of temperamental extravagance.

"We were incredibly wound up for that game, but the crucial thing for me was that we were able to keep the lid on the passions we all felt," says Ackford, whose command of the line-out in the final quarter was at the very heart of England's victory. "The moment I thought we might have them was when Nigel was decked by those punches early on. No one in a white shirt over-reacted and that indicated to me that we could cope with living on the edge."

"The French could be incredibly physical, so fear was a big motivating factor. The fact that this one was a World Cup quarter-final just added something extra to the atmosphere in the dressing-room because we knew that if we lost, we were out. No one remembers losers, so it was now or never. The tension was extraordinary."



The wing Nigel Heslop (centre) found himself in the thick of the action

"My line-out performance may have looked good, but the French had a strange habit of throwing in a no-hoper, or a non-jumper at least, against me. I can remember Wade Dooley saying: 'How is it you get the easy guys while I get Olivier Roumat?' I wasn't complaining, that's for sure."

After that game, the New Zealand referee David Bishop was manhandled by Daniel Dubroca, the French coach. Somehow, it was of a piece with what had gone before. As they probably say somewhere in Paris, pure frenzy takes a while to die down.

Scorers: France: Try: J-B Lelono; Penalties: T. Lacroix 2.
England: Tries: R. Underwood, W. Carling; Conversion: J. Webb; Penalties: J. Webb 3.

Additional reporting: Ian Borthwick
Photographs: AP/PA/Nisport

Henman set to slip down rankings after Korda gains revenge

Tennis

Tim Henman, Britain's No 1, was comprehensively beaten 6-4, 6-4 by the Czech left-hander Petr Korda in the second round of the Italian Indoor Championships in Milan yesterday.

The score suggests a reasonably close contest but Korda dominated play from start to finish and the world No 14 could have no complaints.

Korda, who was ranked as high as No 5 in the world four years ago, returned Henman's first serve superbly and when it came to baseline rallies the 29-year-old Czech almost invariably came out on top.

What made Henman's defeat more frustrating was the fact that he hit far more first serves into court than his rival and also struck 10 aces to Korda's six.

But the wily Czech, now ranked 29, showed outstanding

anticipation when receiving and although his serve was not so quick as Henman he dropped only 14 points in his 10 service games.

Henman was under real pressure from the fifth game where he saved two break points with service winners to hold on to a 3-2 lead, but that was the last time he led in the match.

Korda had four more break points in the seventh game and eventually broke through to go

to 4-3 after Henman served his first double-fault of the match.

That one break was enough to give Korda the first set in 34 minutes and, with his confidence high, Korda continued to make Henman struggle.

Henman saved another break point in the third game of the second set but dropped his service for the second time to trail 2-3. That break again proved enough although there was still some drama to come.

Trailing 3-5, Henman saved a match point with his 10th ace and hung on to his service after six deuces. Then he had his first break in the following game at 30-40, only for Korda to take the next three points for victory.

The victory was revenge for Korda who lost to Henman in their only previous meeting, in the 1996 Australian Open. Henman, then very much the underdog, won 5-7, 7-6, 6-3, 6-2.

Henman looks certain to lose a few ranking places in the next two weeks following this defeat as well as the fact that he is not playing in the Rotterdam tournament next week, where he reached the semi-finals last year.

Korda's opponent in the quarter-finals will be the Czech-born German David Prinosil, who had a surprise 6-7, 6-2, 6-3 over Mark Philippoussis of Australia.

Devils stand by Hope

Ice hockey

Cardiff Devils will back their captain, Shannon Hope, when he contests a grievous bodily harm charge resulting from an incident on the ice.

The Great Britain captain and defenceman will appear in Sheffield Magistrates Court on 2 April over a challenge which left the Sheffield Steelers' Canadian forward, Jamie Lench,

in hospital with a double fracture of the cheekbone.

The incident occurred during the Superleague match between the country's top two teams in Sheffield on Boxing Day.

Lench was the club's leading scorer at the time and as a result of his injury, he missed a crucial part of Sheffield's unsuccessful attempt to beat the Welsh side to the Superleague title. The Canadian is pursuing a civil action for damages.



We're offering the widest spread of bets on the Five Nations championship - pass it on

For the widest spread of bets available anywhere on the Five Nations championship, why not touch down with City Index?

You can bet on which team will win a match, the points they will win by, their score or even the time to avoid the scrum.

of the first drop goal. You can bet on just about anything, even after the matches have started. How's that for flexibility?

Call us now on 0171 480 5685 or fill in the coupon to avoid the scrum.

To: City Index Ltd., Cardinal Court, 23 Thomas More Street, London E1 9YY. 187
Please send me information about Spread Betting. Please call me about your services.
Name: _____ Address: _____
Tel: Day: _____ Evening: _____
Postcode: _____
For a Great Spread of Bets

NB: Spread bets carry a high level of risk to your capital. Only speculate with money you can afford to lose. Spread betting may not be suitable for all investors; therefore ensure that you fully understand the risks involved and seek advice if necessary.

سكرا من الاربع

